An Approach to Regional Tourism Development

Province of British Columbia
Ministry of Tourism and Provincial Secretary

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An Approach to Regional Tourism Development

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Ministry of Tourism and Provincial Secretary

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PREFACE

The tourism industry is a major contributor to the province's economy. In 1987, British Columbia's tourism industry generated $3.1 billion in receipts. This contribution is made by the tourism industry in all regions of British Columbia. The province is endowed with one of the most attractive natural landscapes in Canada, and indeed the world. Each region has its own unique features which contribute to the international quality of the province's tourism product.

Market projections indicate continued strong worldwide growth for the tourism industry. At the same time, however, competition for world tourism markets is becoming intense. It is a major challenge, therefore, for British Columbia to capitalize on its tourism strengths and increase its overall share of the international market. The Ministry of Tourism and Provincial Secretary is now commencing a regional tourism development process, consistent with the recently announced regionalization initiatives of the Province. This process is aimed at maximizing the economic benefits of tourism in each of the province's development regions.

This document describes the Ministry's approach to regional tourism development. It provides background information on the tourism sector both within your region and from a province-wide perspective. It also describes the process for regional input to the development plan. The Ministry's commitment to regional tourism development is founded on the belief that this approach will strengthen regional economies, thereby creating new business opportunities and increased employment. The full benefits, however, can only be achieved with participation and commitment from each region.

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1.0 INTRODUCTION

The tourism industry is gaining attention as an integral part of economic development at local and regional levels. Where fifteen years ago economic development attention was largely focussed on resource projects in British Columbia, governments today are more actively pursuing tourism development opportunities as a means of diversifying their economies. These opportunities are found in a wide variety of areas such as accommodation, food services, attractions, retail sales, transportation, and tour packages.

Tourism is big business in Canada--over $20 billion in 1987--and is regarded by most in the industry as a sector which will continue to grow. It is an important factor in British Columbia's regional economies--one that creates new private sector business and job opportunities for region residents. It offers diversification and balance to regional economies, particularly those which have traditionally relied on one or two other dominant sectors.

Regionalization Initiative

In a landmark policy shift, the British Columbia government's Regionalization Initiative has focussed attention directly on British Columbia regions to identify and pursue sustainable economic development initiatives. To ensure that this receives the highest possible priority, government has appointed Ministers of State for each region (see Map 1). The Regionalization Initiative was founded on the premise that government must work in collaboration with region communities, business interests, and residents to develop regional economic strategies. It is only with the commitment of regions to projects that economic benefits can be achieved. Regional development liaison officers (RDLOs) are now working with representative groups to assist in identifying issues and opportunities for regional economic development. Government's role, through the Ministers of State, will be to bring development and infrastructure priorities to the Cabinet level for consideration as part of the government's Regionalization Initiative.

Tourism's Role

The Ministry of Tourism and Provincial Secretary is responsible for encouraging tourism development in the province and supporting industry initiatives to capture a larger share of the overall

Province of British Columbia
DEVELOPMENT REGIONS
1 VANCOUVER ISLAND/COAST
2 MAINLAND/SOUTHWEST
3 THOMPSON - OKANAGAN
4 KOOTENAY
5 CARIBOO
6 NORTH COAST
7 NECHAKO
8 NORTHEAST
1988
(AMENDED)
PACIFIC
OCEAN
ISDR

1.0 INTRODUCTION

tourism market for British Columbia. In pursuing this mandate, the Ministry has historically placed emphasis on supporting specific sector initiatives such as skiing, sport fishing lodges/resorts, and guest ranch development. On the marketing side, the Ministry has worked closely with regional associations throughout the province through its Partners-in-Tourism program. Similarly, the Ministry is working with communities to facilitate preparation of community action strategies to identify opportunities and priorities in the tourism industry at the local level.

Consistent with the spirit and intent of the Regionalization Initiative, the Ministry is now turning its attention to developing a much stronger focus for tourism. This will enable the Ministry to more effectively respond to regional interests in developing the tourism component of economic strategies. The Ministry sees this process as an important first step in the preparation of an overall Provincial Tourism Strategy which has as one of its foundations the pursuit of regional tourism opportunities.

Regional Tourism Planning

The Ministry believes that there are tremendous opportunities for tourism development which can only be achieved with the support and commitment of local interests. To capitalize on these opportunities, the Ministry will work with representative groups in each region: first to identify priority tourism development opportunities and related infrastructure requirements, and second to work with regions that are interested in proceeding to a more detailed level of analysis through the preparation of regional tourism action plans. The Ministry will work through the RDLOs to achieve this. In this way, the Ministry's efforts will complement and enhance the deliberations which are already underway in most regions to identify and pursue sustainable economic development priorities.

The first step in the process is to arrange to work with existing tourism task forces where they are in place in each region or to work with the RDLOs and Regional Advisory Boards to create tourism task forces. The Ministry sees its first priority as assisting with the identification of the most attractive development opportunities which can be immediately referred to the Ministers of State for their consideration. Following that, the Ministry will work with those regions that are interested in preparing a much more detailed regional tourism action plan.

The benefits of participation are significant. The results of this collaborative process can be used by:

- the region to ensure that its tourism priorities are placed before the Ministers of State for consideration, with the support of the Ministry of Tourism and Provincial Secretary;
- communities to pursue their own tourism development objectives;
- the Ministry to serve as an important component in the preparation of a comprehensive Provincial Tourism Strategy.

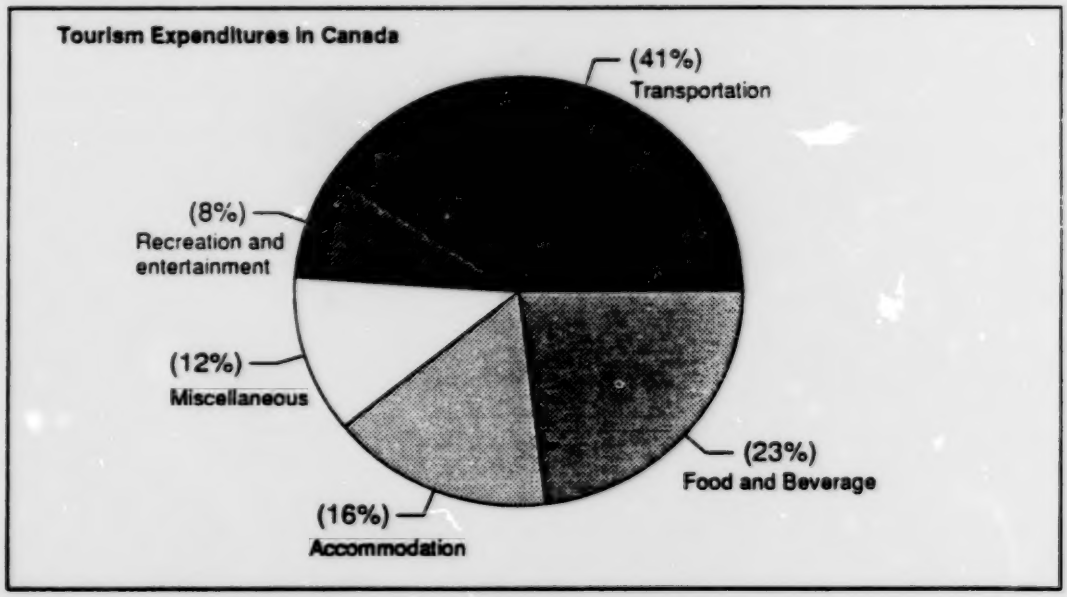
These are process results. The real advantage of such tourism planning lies in the opportunity to identify and implement regional tourism priorities, thereby creating new jobs, new businesses, and a stronger regional economy.

2.0 TOURISM'S ECONOMIC CONTRIBUTION

Tourism is the world's largest industry. Total worldwide spending for domestic and international tourism exceeded $2 trillion U.S. (in 1988). Tourism's role in Canada's economy is equally significant. Statistics published by Tourism Canada for 1987 show:

- $20 billion in expenditures by international visitors and Canadians travelling within the country;
- tourism is Canada's third largest foreign exchange earner behind only motor vehicles and auto parts;
- $6 billion in annual expenditures by foreign visitors;
- 60,000 Canadian businesses which rely on tourism for all, or a majority of their revenues.

By its very nature it is an industry which offers opportunities to the largest corporations as well as to the individual entrepreneur. As such, it is increasingly recognized by government as an excellent vehicle for economic development at the local level. Opportunities exist in many industry sectors: from food and beverage services to recreation and entertainment.



Source: Canada Tourism Facts, Tourism Canada, 1988.

2.0 TOURISM'S ECONOMIC CONTRIBUTION

These opportunities are available at all levels: international, national, provincial, regional and local.

Tourism in Canada is also an important employment generator and source of funds for government:

- direct employment for nearly 600,000 Canadians;
- $9 billion in direct and indirect revenue for governments;
- direct and indirect income effects of $37 billion;
- a 3.4% annual employment growth rate between 1975 and 1986, exceeding all other major industrial sectors.

Tourism in British Columbia is an important contributor to the provincial economy. The Ministry's 1987 statistics for the tourism sector in British Columbia show:

- $3.1 billion in tourism receipts; and
- 16.7 million visitors.

Economic impact estimates (1987) for the province (prepared by Tourism Canada) show that tourism provides:

- 6.1% of gross provincial product (GPP);
- 82,000 jobs;
- $2.3 billion in direct income;
- $0.9 billion in direct and indirect government revenues for all levels;
- indirect economic impact accounting for an additional 38,000 jobs and $1.9 billion in revenue.

This contribution is made by the tourism industry in all regions in British Columbia. The province is endowed with one of the most attractive natural landscapes in Canada and, indeed, throughout the world. Each region in British Columbia has its own unique features of interest to other Canadians and foreign visitors. Our natural assets, together with our hospitality, can ensure healthy growth in the tourism industry well into the future. It means, however, that we must continue to capitalize on our strengths in offering tourism products and respond to the needs and demands of the tourist consumers whom we serve. For instance, countries around the world, and particularly

2.0 TOURISM'S ECONOMIC CONTRIBUTION

in the Third World are aggressively developing tourism products for an international market — the same markets that we cater to. In this milieu of increasing competition, we must strive to achieve excellence in our product.

The market, too, is changing. Consumers are demanding a higher quality product, are opting for shorter duration trips, and are expressing a desire to learn more about their destinations. If we do not respect these and other trends in the market place, we will inevitably lose out to competitors.

Our challenge is to recognize our strengths and capitalize on these strengths through product development and marketing which is focussed and oriented to the needs of our target markets. Each region has its own strengths and weaknesses in offering tourism products. Each region can make a contribution to its own economy and play an essential role in the overall tourism industry.

3.0 MEETING THE CHALLENGE

3.1 The Industry-Government Partnership

Tourism, unlike many industrial sectors, relies heavily on a partnership between all participants from the individual operator to government. For example, an operator needs:

- assurance that transportation systems provide efficient access by his/her customers to the facility,
- business relationships with travel agents and wholesalers to market the product,
- supplier relationships to serve customers, and
- cooperation with other operators and government to market the tourism strengths of British Columbia.

This partnership is fundamental to successful tourism. It is one which the Ministry seeks to continually enhance and strengthen. We all have a role to play, not only in delivering our product but also in planning for new products and successfully matching them to growth opportunities in emerging markets.

The British Columbia Government is committed to furthering the economic contribution of tourism to the province's general economic health. This commitment is reflected in the programs which have been developed by the Ministry of Tourism and Provincial Secretary to support and encourage tourism product development in the province and to collaborate with industry in marketing British Columbia in Canada and worldwide.

Research and planning is an important function and one that private sector industries typically cannot underwrite in any major way. The Province therefore fills this gap through tourism planning, supported by research activities such as visitor surveys and product and market opportunity studies.

The tourism planning function involves maintenance of an overall tourism development strategy for British Columbia, with its foundation in the development plans in regions throughout the province. The last major tourism development plan in British Columbia was completed in 1983 and it is now time to update the strategy with regional input.

The Ministry's marketing assistance program, Partners-in-Tourism, provides both funding and advisory support to tourism industry associations throughout all regions of British Columbia. Delivered in the form of operating contributions, cost-sharing on advertising, and assistance at

travel trade shows, the Partners-in-Tourism program is structured to provide marketing support to the broadest possible base of tourism operators throughout the province.

In the product development area, the Ministry started a Community Action Strategy Program last year, providing facilitators to communities to identify tourism initiatives. To date twelve community action strategies have been completed and Ministry facilitators are working with an additional eight communities.

Product development support for the industry is delivered through tourism development officers in the Ministry of Regional Development. Their role is to assist the industry in defining viable projects and to facilitate efforts to secure financing wherever possible. The Province has been able to provide direct financial assistance in the form of guaranteed loans through such mechanisms as Federal/ Provincial agreements. In addition, tourism development officers perform a useful function in advising prospective investors about the various financial assistance options available through other programs of the Province.

3.2 A Regional Tourism Development Focus

How do we build on our strengths and address our weaknesses? The Ministry believes that the Regionalization Initiative offers a unique opportunity to forge a new partnership with regional interests not only to address marketing, which it has done successfully in the past, but also to focus on product development opportunities. The Ministry recognizes that it can only encourage, support and facilitate regional tourism development efforts. It is in this context that the Ministry proposes to work with the regions in a three-step process as illustrated in Exhibit 3.1. It starts with identification of regional tourism priorities, proceeds to more detailed tourism action plans, and finishes with a provincial tourism strategy that incorporates regional priorities and action plans.

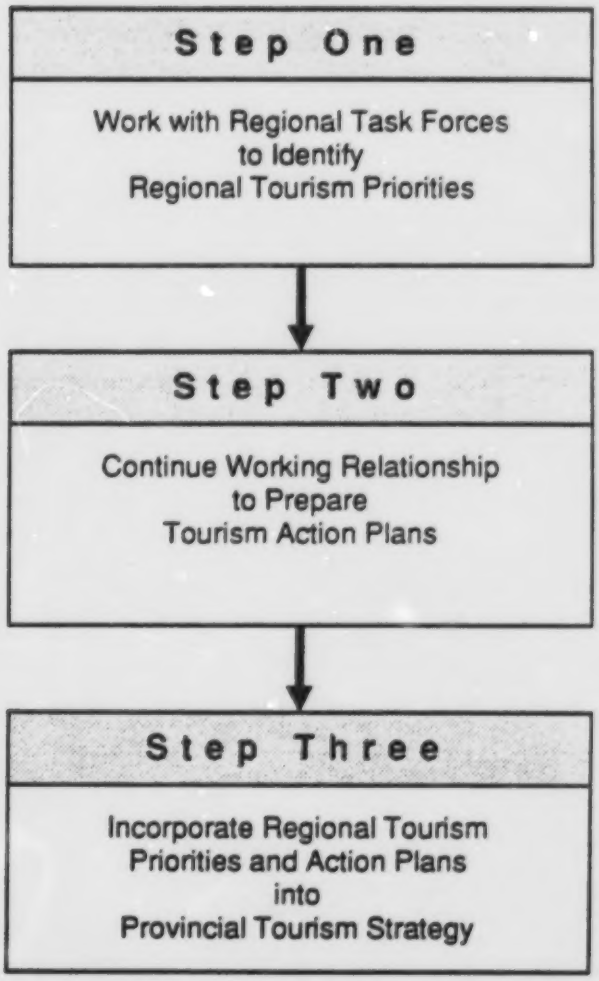
While we encourage all regions to participate, not all may be interested in regional tourism planning. For those regions which do not elect to participate, the Ministry will rely on its own analysis to arrive at regional priorities.

To provide a starting point for considering regional tourism priorities, the next section of this report describes our provincial performance in the tourism sector, followed by an overview description of tourism development considerations in your region. The regional description is by no means

3.0 MEETING THE CHALLENGE

definitive: it summarizes regional issues and opportunities to provide a starting point for discussion. The report concludes with a more detailed description of what we suggest as the next steps in the process.

Exhibit 3.1: Regional Tourism Planning Program



4.0 PROVINCIAL PERFORMANCE

British Columbia's spectacular natural setting, coastal cities, and rural communities in wilderness settings have long been major attractions for tourists. Travel trips by British Columbia residents in 1987 are estimated to account for about 51% of the province's tourist activity. Non-resident visitors are a very important market for British Columbia (49% of tourist activity) with an estimated 8.2 million visits in 1987. Of this non-resident market, visitors from Pacific Rim countries show the highest growth rate at an estimated 20% in the last year. British Columbia's function as a major gateway of the Pacific Rim is an important tourism advantage to the province and one which should continue to encourage strong tourism growth.

4.1 Non-Resident Travel Within British Columbia

The most recent visitor survey conducted by the Province during the four peak months in 1987 provides an excellent profile of our non-resident visitors.

Trip Purpose

Non-residents are estimated to account for about 49% of provincial tourist activity, the remainder being travel trips made by British Columbia residents. Trip purposes provide a strong indication of the strength of British Columbia's tourism product and the Visitor '87 results show that touring was the main trip purpose identified by 55% of non-resident visitors. They also demonstrate strong preference for outdoor activities in their trip purposes, with 44% citing a main trip purpose as either an outdoor trip, a resort vacation, or a wilderness/adventure trip.

Trip Purpose	% of Non-Resident Visitors to British Columbia, 1987
Touring	55%
Outdoor/Sport/Adventure	44%
Urban	11%
Cruise	7%
Visit Theme Park	6%
Conference or Convention	5%
Independent Business	10%

Source: Compiled from Visitor '87
Note: Percentages do not add to 100% due to multiple responses.

4.0 PROVINCIAL PERFORMANCE

Worldwide tourism trends point to an increasingly sophisticated consumer that is:

- seeking a more specialized vacation experience;
- interested in learning more about their destination;
- choosing more than one vacation experience per year and choosing shorter vacations.

British Columbia is very well positioned to take advantage of these market shifts with its diverse outdoor opportunities and marine and wilderness experiences. The province is currently undergoing a transition from an automobile-based touring product to more specialized packages appealing to an increasingly segmented international market. Where ten years ago there were very few outdoor packages, the industry has since developed a variety of international-class vacations, ranging from heli-skiing to whalewatching.

Length of Stay

Non-resident parties to British Columbia spent an average of 5.7 nights with the longest stays in Southwest British Columbia (3.9 nights per party). Offshore visitor parties stayed longer on average (9.8 nights) than parties from Canada (6.5 nights) or the U.S. (4.4 nights).

Party Composition

Parties comprising two adults dominated non-resident visitors (54%) and only 18% of parties included children. British Columbia attracts a strong seniors market with 37% of non-resident visitors aged 55 or older. U.S. visitors show a much higher proportion of these older visitors (ranging from 46% from the western U.S. to 56% from the eastern U.S.) compared to Canadian visitors (25%).

Transportation

About half of non-resident parties travelled to British Columbia in their own automobile and about 30% entered British Columbia by air. Campers or RV's were used by about 14% of the parties travelling to British Columbia This proportion changes significantly once the non-resident visitor enters the province; 70% travel by automobile and only 3% by air.

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Expenditures

Non-resident visitors to British Columbia spent a daily average of $50 per person or $131 per party. The majority of daily expenditures were on accommodation ($36 per party) followed by restaurants, meals and refreshments ($26 per party) and shopping and souvenirs ($18 per party). Southwest British Columbia and Vancouver Island dominated non-resident visitor spending, capturing 73% of all expenditures.

The offshore visitor spends marginally more on average than other non-resident visitors about $56 per person per day, and the length of stay is significantly greater (9.8 nights). It is an important market for British Columbia in that the economic benefit per international visitor is the highest of all British Columbia markets both in terms of growth potential and spending patterns. On the other hand, this market demands a quality product and experience which many of British Columbia's regions cannot presently provide.

Regional Visitor Distribution

British Columbia's growth in non-resident visitors, stable for almost a decade prior to Expo 86, is now showing positive annual growth rates. Much of that impact stems from the strong increase in the proportion of offshore visitors. Most of the benefit resulting from this increase, however, has accrued to the region of Southwest British Columbia. Vancouver Island has remained stable, capturing about 22% of all party-nights over the last 13 years. Although the other regions have the resources to serve these markets, they are in fact losing market share:

	% of Non-Resident Party-Nights		
	1974	1979	1987
Southwest B.C.	27	36	40
Vancouver Island	22	20	22
All Other Regions	51	44	38

Source: Data compiled by Tourism Research Group from British Columbia Visitor Surveys, 1974, '79 and '87

By utilizing the proposed regional tourism planning process identified in this document, a reversal of this trend can be achieved.

4.0 PROVINCIAL PERFORMANCE

4.2 Resident Travel Within British Columbia

The British Columbia resident is an important market for our industry and one which must not be overlooked in the midst of all of the current interest directed toward the "international" visitor. A 1985 Residents Travel study by the Ministry shows that 78% of British Columbia residents engage in pleasure trips within British Columbia, taking an average of 2.1 pleasure trips per year in 1985. Although the primary reason for all travel by British Columbia residents is visiting friends and relatives, the potential for participating in outdoor activities and pleasure/sight-seeking excursions was important to this market. The majority of travellers took trips of about three days in duration on average, and cited primary reasons for travelling within the province as:

- to see British Columbia/our province/keep money in British Columbia 63%
- beautiful scenery/coastal areas 48%
- visiting friends and relatives 45%

British Columbia residents demonstrated a strong commitment to travelling in the province, partly based on supporting their own province and partly on their perception that they could experience more of British Columbia.

Market data on British Columbia resident travel is rapidly becoming dated. To address this problem, the Ministry has commissioned a detailed study of resident travel in British Columbia over a one-year period. The project is scheduled for completion in mid-1990 and will provide valuable information to the industry on resident travel patterns and preferences.

4.3 Product Lines

British Columbia offers a diverse range of products consisting of facilities, services and attractions. When purchasing a trip within the province the visitor combines several of these goods and services to create a trip experience. This experience may be sold as a package or as several individual services. The needs and expectations of the marketplace can be segmented into product lines based on trip experience. Within British Columbia there are six general product lines:

- general touring
- outdoor/sport/adventure
- cruise

- urban
- meetings and conferences
- independent business

It is important to note that these product lines are not exclusive from a visitor perspective. Visitors may use several product lines. For example a touring visitor may purchase an outdoor/sport/adventure product for a portion of their visit to the province.

The challenge for each region is to identify market-driven opportunities and infrastructure requirements which are realistic in the context of the region's resource base. Discussion of the product lines from a provincial perspective can help in focussing on those best suited to the region.

4.3.1 General Touring

General touring is the dominant product line within the province, identified by 55% of non-resident visitors as their main trip purpose in 1987. The touring market includes several segments:

- motorcoach
- car/RV
- rail
- air

Although all regions in British Columbia benefited from touring, Visitor '87 statistics on the non-resident touring markets showed that the majority of party-nights were spent in Southwest British Columbia (40%), followed by Vancouver Island at 22%. Almost 40% of the non-resident tourists were aged 55 years or older, and about 50% of U.S. visitors were aged 55 years or older. This seniors market is particularly important to the British Columbia industry in that they constitute 41% of shoulder season touring and 34% of peak season touring.

From a product perspective, the touring customer is generally seeking a scenic route with frequent opportunities to visit attractions, whether they be scenic highway pull-offs, historic attractions, or rural communities. The touring market is a mainstay of British Columbia's motels and hotels, particularly in non-urban areas. Forty percent of all touring traffic uses hotels/motels, as compared to 24% for campground/RV sites and 26% with friends and relatives.

4.0 PROVINCIAL PERFORMANCE

British Columbia's touring product includes a variety of interesting circle routes offering diverse scenic experiences through several of British Columbia's rural regions. However, the physical plant to support touring in British Columbia's rural regions, comprised of accommodation, restaurant and shopping services, is aging and in many cases is not up to the standard demanded by present-day visitors.

The decline in the market share by all regions other than Vancouver Island and Southwest British Columbia points to the need to further capitalize on our exceptional natural, heritage and cultural resources. To achieve this, we must upgrade our tourism plant, and respond to market expectations for more activities during the touring trip.

In order to maintain and increase our market share, British Columbia must respond to emerging trends in the marketplace. The most notable of these include:

- an older, more affluent, and better educated touring customer--particularly important for shoulder seasons;
- major growth potential in the group travel sector;
- more price and value conscious touring travel customers;
- the "hub and spoke" concept of group touring--an increasingly popular approach involving long stays at a central destination with shorter excursions (day trips) from it;
- a greater propensity for visiting and participating in attractions.

4.3.2 Outdoor/Sport/Adventure

British Columbia's outdoor/sport/adventure product is probably the strongest and most diverse in Canada. Contributing tourism revenues to British Columbia of about $253 million in 1986, this product line offers a wide variety of activities:

- skiing (downhill, cross-country)
- mountaineering/backpacking/hiking
- horseback riding (trail rides, guest ranches)
- nature observation
- scuba diving

- rafting
- boating (power, sail, kayak, canoe)
- sportfishing
- hunting
- biking
- golfing

The diversity in package opportunities is equalled by the range of accommodation, from a $500 per day saltwater sportfishing experience to a $25 per day rustic cabin in a wilderness setting.

The international market trends clearly point to an increasing interest on the part of outdoor adventure consumers for a learning experience, implying more personal attention and more interpretation of the outdoor environment. Wildlife viewing, for example, is a fast-growing market segment typical of this "learning" experience trend. Customers seeking out this product line consistently want a quality experience in a remote and undisturbed wilderness setting. They usually select 5-7 day packages and generally spend about $75-390 per day more in British Columbia than the average touring traveller. A large proportion of British Columbia's outdoor adventure customers come from outside the province with the U.S. being our strongest market origin.

The adventure travel product is a relatively recent phenomenon responding to worldwide market demand for specialty experiences and a growing appreciation of wilderness in its natural state, as opposed to general touring. As with any new product area, it is characterized by growth problems in both product development and marketing. Frequently in British Columbia, the activities of adventure travel operators conflict with competing land uses and concerns about resource use. Marketing of British Columbia's adventure travel product has been inconsistent and awareness is generally low on the part of consumers.

The adventure travel product offers exciting potential for British Columbia on a number of counts:

- the natural resource base to support adventure travel is among the most attractive and diverse in the world;
- existing (and potential) products are internationally competitive;
- it offers relatively higher benefits than many other products in terms of per-party expenditures;

- it offers opportunity for small business because of its relatively low financing requirements for start-up.

Recognized as one of the top destinations in North America, British Columbia adventure travel operators estimate a 20% growth rate in the short term. The greatest potential for growth is in the 35-50 age group who typically seeks a "softer" experience emphasizing learning and personal satisfaction. Considerable scope for growth also is found in the Vancouver and Victoria markets where shorter packages of 2-3 days in duration could attract British Columbia's urban population.

4.3.3 Cruises

Cruises in or through British Columbia are a major source of tourism revenue for the province. In 1986, an estimated 325,000 cruise passengers travelled in British Columbia. The flagship of cruises in British Columbia waters is the British Columbia/Alaska cruise. It has a high degree of customer satisfaction and is one of the most profitable cruises worldwide. The season generally operates from mid-May to early October with peak season activity in June, July and August.

The British Columbia/Alaska cruise market is older (average age 58) and primarily from the U.S. (94% of passengers). The destination for these passengers is Alaska with the opportunity to view spectacular scenery, rugged coastline and different cultures.

Cruiseship capacity varies in size from over 1,000 passengers for the larger ships to smaller "pocket" cruise ships which hold less than 100 passengers. The latter traverse waterways in the Vancouver Island, Sunshine Coast, and Desolation Sound areas.

The British Columbia/Alaska cruise product is controlled by the cruiseline companies. Port facilities are an important factor from the cruise ship operator's perspective, and quality deep water terminals, safe and secure berthing arrangements, and operational costs while in port are all important concerns closely monitored by the cruiselines. Vancouver and Victoria are the province's main ports-of-call.

With respect to the British Columbia/Alaska cruise product, British Columbia's greatest potential is in providing pre- and post-cruise package tours. The diverse product lines offered throughout the province are highlights of the cruise experience. From the cruiseline operators' perspective one of the key attractions is the province's ports-of-call.

This product line has significant growth potential as indicated by industry forecasts which project North American cruise industry growth of about 14% per year for the next five years. The British Columbia product is competitive in this market and has the advantage of:

- a cosmopolitan city and spectacular wilderness coastline, both of interest to this market; and
- a diversity of pre- and post-cruise packages.

To take advantage of this growth potential, British Columbia must work to remove constraints to cruise industry visits. Connections between Vancouver International Airport and U.S. origins present a constraint to capturing full potential from the cruise industry. Vancouver is unable to accommodate the influx of cruise passengers who are destined to board ship, typically over 1,000 in number. At the present time, passengers embarking from Vancouver fly to Seattle and are bused to the Vancouver port.

British Columbia's scenic coastal waters are well suited for the pocket cruises. The development of this product line will be dependent on market conditions and financial viability.

4.3.4 The Urban Product Line

Cities are a tourism destination in their own right. The urban market, though lucrative, is also one of the most competitive worldwide. Canada's urban centres must not only compete with those of the Western developed world, but also and more recently, Third World city vacation experiences.

Cities which are successful in attracting the urban tourist must not only have a vitality and character recognized by the market. They must also provide a full range of first-class accommodation and restaurants, night life and entertainment, excellent shopping, cultural attractions, festivals and sporting events, and a safe, clean environment. The urban product generally depends on short vacations, usually on weekends, although it does remain an important element of long haul market touring vacations. Internationally competitive centres are almost always a transportation gateway with full international airport services including customs facilities.

The smaller urban centres throughout Canada cannot compete internationally, but do offer potential for short haul markets. Those with distinct characteristics or special events are most successful in attracting regional markets. The Canadian urban product has, as its major market, U.S. travellers. Increasingly however, Vancouver is seeing more visitors from Pacific Rim countries and can look to this market for increasing share in the future.

Canada's cities offer a competitive product to the international marketplace and are highly rated for safety, cleanliness, and an uncrowded atmosphere. These factors, together with our increasing product mix in the cultural and shopping areas, should place us in an excellent position to capture better shares of the urban tourist market. In this regard, British Columbia's urban product is particularly well positioned in providing all of these amenities in a spectacular natural setting. The accessibility of high quality resorts, touring experiences, adventure travel opportunities and special interest experiences gives Vancouver's urban product particular appeal and strong growth potential. Gains can be made in concentrating on better packaging and integration of our urban product with other major gateway cities (e.g., Montreal) as stop-overs on international tours as part of the Canadian touring product, and for the short trip traveller.

Victoria serves a smaller but important urban product role and is now actively pursuing further development of its attractions, events and facilities, including preparation for the 1994 Commonwealth Games, the recently completed conference centre, and ongoing major development of shopping, accommodation, entertainment and cultural facilities.

4.3.5 Meetings/Conferences

The meetings market includes several distinct categories--corporate groups providing employee incentives or training, association meetings, conventions, and trade shows. Business and conference travellers are concentrated in Vancouver, which is characterized by ease of access to meeting locations and the quality of facilities in the hotels and conference centre. Incentive travel is of major interest to British Columbia, given its broad base of quality outdoor products such as salmon fishing. For instance, the corporate market is significant for many of our saltwater fishing lodges. Incentive travel planners rate cost, resort setting, climate, ease of access, and recreation/fitness opportunities as the most important criteria in selecting a location.

The meetings market is expected to undergo some key shifts which will influence product development and marketing in the future:

- increasing incentive travel demand;
- more business/pleasure combinations through discounted accommodation, frequent flyer programs;
- international meeting travel among Pacific Rim countries;
- increases in smaller regional meetings for large corporations and more meetings for small and medium sized businesses.

For British Columbia, these trends point to opportunities to increase market share from Pacific Rim countries and to cater to business incentive and small meetings demand with high quality, wilderness resort products. The increase in women business travellers will also influence the nature of the product creating an increased demand for features such as quality service, convenience, safety, and security.

The market needs of this sector include meeting facilities at either hotels/motels or resorts which can comfortably accommodate 100 or more delegates, facilities which are open in shoulder season and winter, and strong support from local event or meeting planners. The conference/meeting package always includes requirements for activities such as entertainment as well as free time to sample local restaurants and attractions.

The greatest growth potential for British Columbia is judged to be in serving small to medium-sized meetings and to improve its share of the incentive travel business. The larger-sized conference and convention meetings market (1000 or more delegates) offers good growth potential, but at the same time is very competitive and British Columbia must continue to refine and offer a high quality product to maintain market share.

4.3.6 Independent Business Travel

Independent business travellers form a significant market for urban centres and communities in all areas of British Columbia. They generate revenue for many businesses including hotels and motels, transportation services, restaurants, taxis and business support service companies supplying equipment for communications, audio-visual presentations and the like. These business travellers typically place an emphasis on high quality and efficient services, consistent with their need to meet structured meeting and travel schedules. The dominant market is British Columbia residents travelling within the province. Most out-of-province business travellers usually concentrate in British Columbia's major urban centres--Vancouver and Victoria, and to a lesser extent regional centres such as Prince George, Kamloops and Kelowna. In these locations the traveller demands, and receives, a much higher level of service than in smaller centres. For instance, many hotels offer special rooms, self-check-out service and supporting business communications services as part of their product.

Business travellers spend more than the average tourist, about $90 per person per night according to the recent Visitor '87 survey. They usually travel during the week and growth in this sector is very much dependent on general economic health in British Columbia and internationally. Perhaps the major growth area in British Columbia is the increase in foreign business travellers, most notably from Asia. Already there are increases in this market and the efforts of the Province's

Asia-Pacific initiatives should strengthen the trend. At the same time, cultural differences and unique requirements such as translation make it paramount that our products are sensitive to the special needs of this market.

Many industry sectors serving the independent business traveller are actively seeking to improve the level of service offered. For instance, reservation systems are becoming ever more automated and some forecast that business office managers will be booking directly through computer terminals in their offices in the future.

The opportunity exists for British Columbia to "convert" independent travellers to a weekend pleasure trip. For example, with increased awareness, high quality destinations such as Whistler and proper packaging for the business traveller, one can expect growth potential in this area.

4.4 Summary of Tourism Potential

World tourism trends toward shorter vacations, more emphasis on specialized vacation experiences, and increased demand for educational or learning experiences, all point to a strong future for British Columbia in the tourism sector. Each of our product lines offers opportunities (see Exhibit 4.1), provided that we adjust them to respond to growth potential and market expectation.

While the province has historically relied on the touring traveller as its major customer, it is clear from a review of visitor trends since 1974 that this market is stable or declining for all regions except Southwest British Columbia. We must not, of course, abandon the touring market but rather strengthen and develop our product to respond to changes in this market. For instance, there is an increasing trend toward fly-in or drive-in travel to a strong destination, combined with short, day-long excursions and packaged tours to outlying areas. Southwestern British Columbia has, more than any other region, capitalized on this trend by offering a range of quality resort, wilderness and outdoor adventure products in close proximity to British Columbia's major urban centre. In rural areas of British Columbia, our touring product must be strengthened by attention to interpretation of our resources, at attractions or at our parks. Modern-day tourist consumers are demanding to learn more about their destinations and we must respond to this. Even with a destination focus, we should not forget our excellent touring products. There is still a strong market for these and here we must respond to market needs by upgrading our services and facilities and strengthening our key attractions and stops along our circle tour routes.

Our capture of the touring market can also be significantly helped by pursuing more of a destination focus in our rural regions, one which offers higher quality services and accommodation in the

Exhibit 4.1: Summary Overview of British Columbia Product Lines

PAST → FUTURE

Touring

Market
- Main purpose for 55% of summer visitors
- 34% of touring visitors are 55 and over

Product
- Applicable to all regions
- Tremendous and diverse scenic resource base
- Facilities and services aging in rural BC
- Main routes are Trans-Canada, Yellowhead

Performance/Trends
- Mainland/Southwest increasing, Vancouver Island/Coast stable, all other regions losing market share
- Shift in markets from Canada to international
- Market more interested in activities, shorter stays and learning experiences
- Market is shifting to older,more affluent group

Opportunities
- More theming, activity development in communities
- "Hub and spoke" concept
- Packages for touring excursions for international market
- Product/service orientation to older age groups
- More emphasis on activities with resource interpretation approach

Outdoor/ Sports/ Adventure Travel

Market
- Main purpose for 45% of summer visitors
- West Coast US major market
- High value placed on remote, wilderness settings
- More affluent customers than touring
- Seeking a quality experience

Product
- New diverse product area
- Higher financial/economic impact per customer
- 5-7 day packages
- BC's products internationally competitive

Performance/Trends
- Fast-growing market (about 20% per year)
- Matches market trends toward more of a specialized vacation/learning experience
- Resource conflicts hinder investment levels
- Marketing has been inconsistent and awareness low

Opportunities
- 35-50 age groups who seek "softer", education-oriented experience
- Product lines such as wildlife viewing
- 2-3 day packages aimed at BC's urban residents
- US and Offshore markets for high-quality packages
- 1 day or less packages for "hub and spoke" customers

Cruise

Market
- Main purpose for 7% of summer visitors
- 94% US
- Average age 58

Product
- Most profitable cruise area in North America
- BC/Alaska cruise vessels 500-1200 passengers
- "Pocket" cruises with less than 100 passengers
- Van. Is., Sunshine Coast, Desolation Sound features
- Pre and post cruise packages excellent

Performance/Trends
- 325,000 passengers in 1986
- Market interested in onshore activities, native culture
- Increased competition from Alaska ports
- For larger vessels Alaska is destination and product is controlled by cruise lines
- Vancouver airport connections a problem

Opportunities
- B.C. Coastal wilderness major attraction
- Pre and post cruise packages
- Pocket cruises in Strait of Georgia

Exhibit 4.1: Summary Overview of British Columbia Product Lines continued

PAST → FUTURE

Urban

Market
- Main purpose for 11% of summer visitors

Product
- Vancouver international class city
- Victoria major attraction for touring market

Performance/Trends
- Visits to Victoria stable
- Visits increasing to Vancouver
- Vancouver reputation enhanced by Expo'86
- Vancouver airport becoming constraint to visits

Opportunities
- Packaging, integration with other gateway cities
- Strengthen international tour packages
- Pacific Rim markets
- Continue development of Victoria attractions
- Expand Vancouver airport capacity

Meetings / Conferences

Market
- Main purpose for 5% of summer visitors
- Vancouver captures major share
- Incentive travel significant

Product
- Vancouver and Victoria facilities competitive internationally
- Whistler and Penticton facilities competitive nationally
- Pre and post convention product excellent

Performance/Trends
- Incentive travel demand increasing
- More business/pleasure combinations
- Smaller regional meetings increasing

Opportunities
- Expand incentive travel product
- Strengthen product offering for business/pleasure

Independent Business

Market
- Main purpose for 10% of summer visitors
- Major share is B.C. residents

Product
- High-quality in urban areas
- Generally older plant in rural regions

Performance/Trends
- Pacific Rim markets increasing
- More demand for quality services/facilities
- Business/pleasure combinations increasing
- Technology changing industry support systems

Opportunities
- Upgrade service levels
- Introduce more support services
- Convert to a combined business/pleasure trip

vicinity of a diverse range of natural, historic, and cultural-related activities for our visitors. For instance, communities should be looking at their options for fulfilling special functions related to the touring market. Some can offer unique attractions or experiences, developing on a specific destination theme basis, where others can position themselves as service centres. This will require a hard look at the tourist development potential in each region of the province and development of strategies which will encourage private sector investment responsive to the needs and demands of future consumers. The dramatic success of the Whistler destination area provides an excellent example of the potential for a destination approach. Built originally around the skiing resource, Whistler has been able to diversify into a range of shoulder and summer season activities which continue to draw tourists.

British Columbia must make a major effort to respond to world tourism trends and the emergence of market segments which are seeking specialized packages or quality destinations.

Our industry has already made considerable progress in this area with the emergence over the past decade of a range of outdoor travel adventure products offering everything from heli-skiing to sportfishing. This represents a major opportunity for British Columbia given our own operators' estimates of high growth rates (20% in the next year).

Other market segments to which we must look include the urban tourism market and the cruise industry. Vancouver is emerging as a major urban destination offering a clean and safe environment, and high quality cultural and entertainment attractions, all in a spectacular natural setting. Reductions in airline travel costs are helping to bring more tourists to British Columbia's urban centres and recent initiatives by the provincial government to encourage Asia/Pacific Rim trade are also having a positive influence. Vancouver's role as a gateway access, drawing visitors to British Columbia's regions for touring and adventure travel, can also be considerably enhanced.

Although locationally specific in terms of its impact, the cruise industry offers future potential as a preferred cruise experience for elderly customers. Demographic changes in North America point to increased growth potential in this sector. As well, opportunities for pre- and post-cruise activities must be explored.

The business market is a mainstay of our urban centres and communities. Incentive travel product development, the regional meetings markets catering to increased demand for quality services, and promoting business/pleasure travel, will strengthen this segment's performance.

5.0 TOURISM OVERVIEW

The Vancouver Island/Coast Region represents a microcosm of British Columbia's tourism products, has a strong existing tourism industry and offers many opportunities for future tourism development. The island/marine experience, the region's diverse outdoor activities and its rich history draw visitors for every tourism product.

5.1 Setting

Geography and Climate

Two major mountain chains occur in the region: the Insular mountains on Vancouver Island and the South Coast range of mountains on the mainland. Between them lies the Strait of Georgia and Queen Charlotte Strait. A narrow coastal plain on the Island contains most of the region's population. Southeastern Vancouver Island has a modified form of Mediterranean climate. The rest of the coast has mild, wet winters with warm summers, and mountainous areas have colder winters and short, cool summers.

Communities and Population

The Vancouver Island/Coast Region had an estimated 1988 population of 555,100 (half of whom reside in Greater Victoria) representing 18.6% of British Columbia's total population. The region has the second largest population of all regions in British Columbia, with an average annual growth rate of 1.6% between 1986 and 1988. Exhibit 5.1 shows the population for selected communities and the region as a whole. Approximately half of the population growth of the region has occurred in Greater Victoria.

DEVELOPMENT REGION 1

VANCOUVER ISLAND/COAST

5.0 TOURISM OVERVIEW

EXHIBIT 5.1: SELECTED COMMUNITY AND TOTAL REGION POPULATION

	1986	1988	Average Annual % Change
Greater Victoria[1]	216,110	224,444	+1.9
Nanaimo	49,029	50,890	+1.9
Port Alberni	18,241	17,888	-1.0
Campbell River	16,986	18,043	+3.1
Port Hardy	5,389	4,945	-4.2
Powell River	12,440	12,177	-1.1
Vancouver Island/Coast	538,089	555,100	+1.6

Source: British Columbia Central Statistics Bureau

Victoria, the major urban centre of the region, serves as the main transportation link and service centre for Vancouver Island.

The Island includes several other service centres. Each has its own particular attractions:

- Nanaimo is the largest Island community outside Victoria and an important ferry terminus;
- Port Alberni on Highway 4 serves as a gateway to Barkley Sound and the Pacific Rim National Park;
- Campbell River serves an active and growing tourism industry with world-class sports fishing;
- Port Hardy is a terminus for the extremely popular B.C. Ferry Inside Passage trip;
- Powell River is served by ferry from the Sunshine Coast or Comox and is an important departure point for Desolation Sound boaters.

Economy

Primary industries are the main economic base in the Vancouver Island/Coast Region. Forestry leads all other industries in the region with six pulp and paper mills on Vancouver Island and one on the mainland as well as a number of logging and sawmill operations throughout the region. The

1 Includes Victoria, Central Saanich, Esquimalt, North Saanich, Oak Bay, Saanich, Colwood and Metchosin.

province's capital, Victoria, functions as a key trade, tourism and administrative centre for the region. Tourism and the retirement industry are particularly important in Victoria's local economy.

Future economic prospects for the region include the construction of a new Island highway, construction of the natural gas pipeline, and ferrochromium plant proposed for Nanaimo. Forestry and fishing industry employment may fall in the future as harvest efficiencies increase. However, expansion of tourism and the retirement industries are likely to provide diversification of the region's economy in the future. Other growth industries are likely to include education, research and aquaculture.

5.2 Key Tourism Products

The natural resource base of the Vancouver Island/Coast region is its major strength. Islands and beautiful fjord coastlines studded by mountainous areas make it one of the most scenic regions in Canada. The region draws visitors for every tourism product, making it a microcosm of British Columbia's tourism industry.

The spectacular scenery and diverse resources enable this region to offer a wide range of tourism products and its mild climate allows for one of the longest tourist seasons in British Columbia, extending from April to October.

Touring

Touring is by far the dominant product within the region. For most touring visitors to the region a scenic B.C. Ferries ride acts as an introduction. During 1988 the number of passengers on the Swartz Bay-Tsawwassen ferry was 4.5 million, a 5.8% increase over 1987. The Departure Bay-Horseshoe Bay route carried 3.3 million passengers, a 6.9% increase over 1987. A further 288,000 passengers travelled on either the Princess Marguerite or Vancouver Island Princess Seattle to Victoria route in 1988, a 4.2% increase over 1987.

The region offers several scenic touring opportunities linking communities and undeveloped natural areas. Communities are becoming increasingly aware of the potential benefits of tourism development and are working cooperatively to market themselves as touring routes within the region. This region meets the needs of the touring market exceptionally well. It not only offers excellent scenic drive opportunities, but also provides popular attractions such as the Provincial Museum, which receives 1.1 million visitors a year, Butchart Gardens and the Wax Museum (all concentrated in the Victoria area) and excellent parks.

The Pacific Rim National Park draws both domestic and international visitors, attracting 700,000 visitors annually to the west coast of the island. In addition, the region offers a wide range of accommodation and food services to the touring visitor.

5.0 TOURISM OVERVIEW

Outdoor/Sport/Adventure

Specializing in packaged products, the outdoor/sport/ adventure product not only attracts other markets to the region, but it also provides the touring market with activities. Marine-related activities dominate this product, with sportfishing being the most popular. The quality of sportfishing is so good that the region has the highest concentration of high-end sportfishing lodges in the province.

Visitors enjoy the excellent boating opportunities that the region offers--from a four-hour excursion through the Gulf Islands to a ten-hour tour to Desolation Sound. Wildlife viewing is also very well developed, and the high concentration of both grey and killer whales has given the region an international reputation for whalewatching. The region also has the highest number of scuba diving operations within the province. Popular areas include the Gulf Islands, Barkley Sound, Campbell River and Powell River.

Cruiseships

The region attracts a portion of the province's cruise product, with Victoria acting as a popular stop on the 14-day itineraries. Port Hardy is also a cruise ship stop and acts as the staging area for the very popular Prince Rupert Ferry, which carried about 66,000 passengers in 1988, an increase of 10.7% over 1987. As the emerging pocket cruise product develops on the West Coast, Vancouver Island/Coast will be the prime target for 3-5 day excursions.

Urban

Victoria's urban charm is world renowned. Foreign visitors value their experiences ranging from English "afternoon teas" to shopping for unique souvenirs of their trip. Regional residents and visitors from other regions also see Victoria as a special destination, whether to explore its rich architectural heritage or to enjoy its relaxed urban atmosphere.

Meetings/Conferences and Independent Business Travel

The new Convention Centre in Victoria strengthens the region's capacity to service the meetings and convention market in the urban centre and attracts pre- and post-convention tours offering fishing, golfing, boating and sightseeing to the rest of the region.

As the provincial capital and major centre in the region, Victoria draws thousands of independent business people annually. Many of the other cities in the region also attract independent business visits, in proportion to their share of the region's general economic activity.

5.3 Future Potential

Resource Potential

The region is best known for its natural beauty, culture and history. Its moderate climate, varied scenery (from marine to farms to wilderness), excellent fishing and boating and many sandy beaches attract thousands of tourists every year.

Constraints to Realizing Potential

Several important challenges face the region:

- as the number of visitors to the region increases, ferry bottlenecks and congestion become more prevalent;
- presently the main touring route is from Vancouver to either Victoria or Nanaimo and back to Vancouver. The challenge for the region will be to draw these visitors into other areas of the region;
- although the region has one of the longest tourism seasons in the province (seven months), the winter season is still relatively slow. Winter target market targets could include retired people from the Prairies;
- the scenic qualities of the region, including valleys, adjacent mountain slopes and lake and coastal shorelines, provide extremely high tourism value. Potential exists for conflict between the tourism industry and resource extraction industries. It is important, therefore, to develop an integrated approach to resource planning and management which recognizes the values of the tourism resource and minimizes the potential for conflict with other users;
- access constraints need to be addressed–highway congestion between Campbell River and Nanaimo, ferry waits and poor service, customs delays, low use of VIA Rail service and poor accessibility to much of the mainland coast portion of the region are only a few;
- as the region's tourism industry developed earlier than much of the province's, many of its attractions and products are old or deteriorating. These will require upgrading investment to meet future tourists' demand for high quality services.

Opportunities

- Tourism offers an opportunity to diversify the region's resource-based economy.

- As the country's major retirement centre, the region has a growing local seniors market to draw on for future tourism.
- Marketing of the region has so far not capitalized sufficiently on the region's advantage of a temperate winter climate.
- Vancouver Island is a compact area and can be traversed in a short period. Three circle tours presently exist in the region:
  - Three Coasts;
  - Totem Circle (Inside Passage); and
  - Sunshine Coast.
- These routes and others offer potential for increased diversion of tourists from the dominant Vancouver-Nanaimo- Victoria triangle route. Heritage and cultural events or attractions could be developed in many locations to give touring visitors a reason to stop.
- Outside the Victoria area, Pacific Rim National Park remains the major attraction in the region. Development opportunities there and along the route from Nanaimo to the Park are very important to the region's future tourism infrastructure.
- Tourism products need to be packaged and sold as an experience and activity and not simply as a touring opportunity. The foreign experience of Canada is appealing to the American market. For example, fly/drive packages have potential for the Californian market. Underdeveloped markets include motor coach tours which currently visit Victoria and leave, and the Japanese market which is currently oriented mainly to Banff.
- A host of outdoor recreation and adventure opportunities exist in the region. Year-round golf, and many natural attractions such as wildlife viewing and fishing are all important for the region.
- Victoria airport presently has good capacity and could offer an alternative to the Vancouver International airport.
- Native bands in the region have had a positive involvement in developing tourism in their areas and their continued involvement is a prerequisite for future tourism.

Although this section has only been able to highlight some of the major features of tourism in the Vancouver Island/ Coast region, perhaps no other region has as large an existing tourism base

with as many opportunities for future tourism development. The region draws visitors for every tourism product and faces important challenges which can be addressed in regional tourism plans.

The next section introduces the steps needed for implementing this planning process.

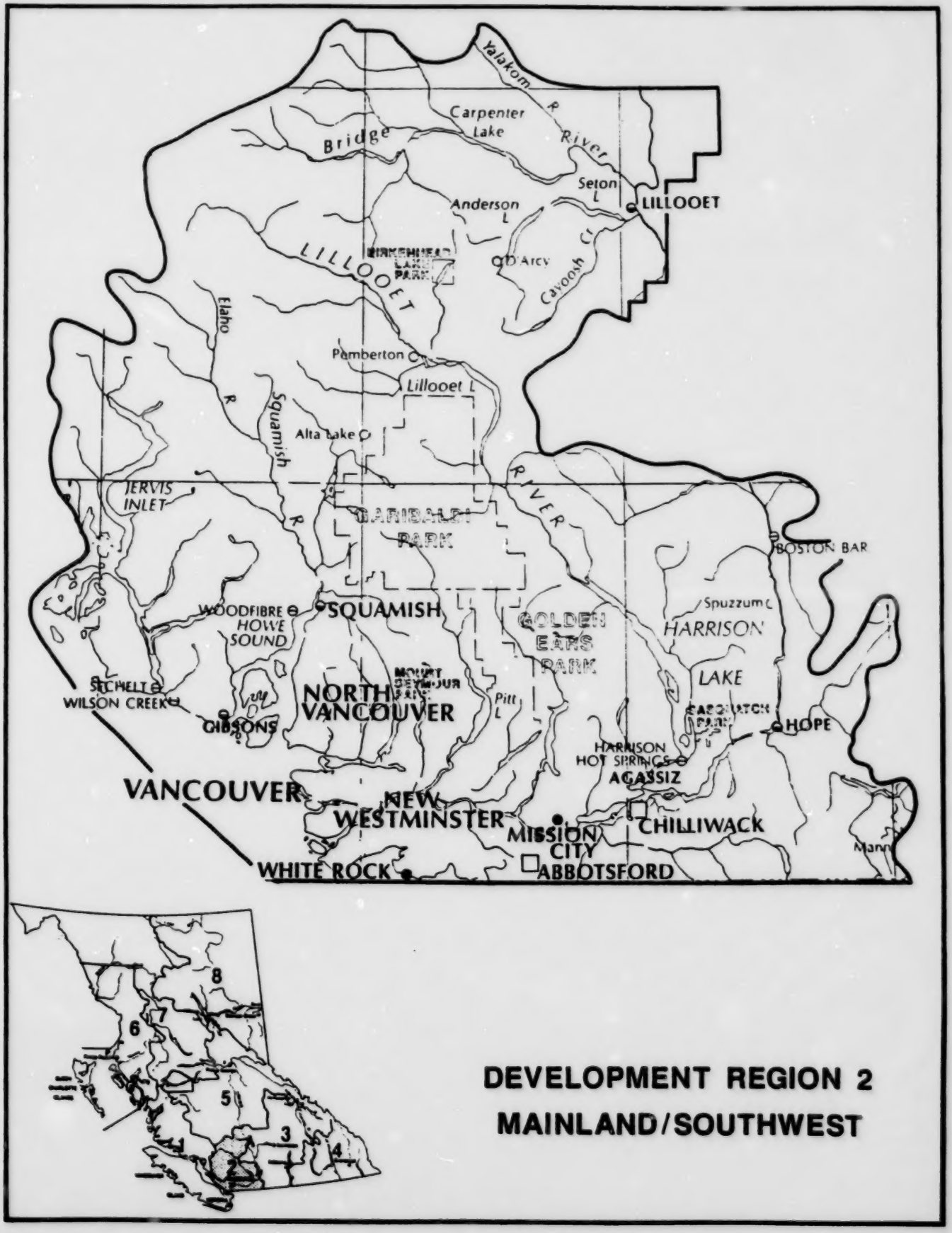
5.0 TOURISM OVERVIEW

Southwest British Columbia is an international class destination offering cosmopolitan urban experiences in a spectacular natural setting, easy access to diverse outdoor adventure opportunities, and a variety of attractions and theme parks. Vancouver's international airport is central to the region's function as a Pacific Rim gateway, bringing visitors from that market at an increasing rate. Spurred on by a striking new convention facility, the region is assuming an increasing role in attracting business travellers from around the world.

5.1 Setting

Geography and Climate

The region is world-renowned for its combination of city life in the midst of scenic mountain ranges and coastlines. The Fraser Valley is host to the bulk of the region's population, framed on the east by the Southwest Coast mountains and on the west by the Strait of Georgia. Adding a temperature climate year-round and extensive sunshine in the summer months to this natural setting makes the region a major attraction to non-resident visitors.



DEVELOPMENT REGION 2
MAINLAND/SOUTHWEST

5.0 TOURISM OVERVIEW

EXHIBIT 5.1:SELECTED COMMUNITY AND TOTAL REGION POPULATION

	1986	1988	Average Annual % Change
Vancouver	431,147	443,092	1.4
Suburban Vancouver[1]	824,586	871,808	2.8
Whistler	2,002	2,393	9.4
Maple Ridge	36,023	41,581	7.4
Mission	21,985	23,605	3.6
Harrison Hot Springs	652	670	1.4
Langley	53,434	58,307	4.5
Abbotsford	14,496	15,842	4.5
Chilliwack	41,337	44,062	3.2
Gibsons	2,675	2,778	1.9
Sechelt	1,224	4,978	101.7
Hope	3,046	3,092	0.8
Lillooet	1,758	1,731	-0.8
Squamish	10,157	10,654	2.4
Lower Mainland/Southwest	**1,567,004**	**1,651,064**	**2.6**

Source: British Columbia Central Statistics Bureau

Communities and Population

The Mainland/Southwest Region is the population centre of British Columbia, providing a strong local market for the region's tourism products. With an estimated 1988 population of 1,651,000 people (representing over 55% of British Columbia's total population), it is the fastest-growing region in British Columbia with an annual average growth rate of 2.6% between 1986 and 1988. Almost every community in the region has experienced growth within the last two years (see Exhibit 5.1).

Beyond Vancouver and its suburbs, many secondary service centres offer an excellent blend of attractions supported by good accommodation and services. Along the Fraser River, the communities of Maple Ridge, Mission, Abbotsford, Chilliwack, and Hope combine attractions and events (for example, the Abbotsford Air Show) with outdoor recreation opportunities. They draw tourists from Vancouver as well as from touring markets in the U.S. and Eastern Canada.

1 Includes Burnaby, Coquitlam, Delta, Lions Bay, New Westminster, North Vancouver City and District, Port Coquitlam, Port Moody, Richmond, Surrey, West Vancouver and White Rock.

5.0 TOURISM OVERVIEW

Whistler, located on Highway 99 north of Vancouver, offers outstanding outdoor recreation activities in summer and winter and is one of North America's finest ski resort destinations. Gibsons and Sechelt on the Sunshine Coast focus on coastal recreation and fishing experiences only a short drive from downtown Vancouver. Lilloet is strategically located at the junction of two summer tourist routes: the Pavilion road east to Cache Creek and the Duffy Lake Road leading west to Pemberton, north of Whistler.

Economy

The region functions as the financial, education, trade, manufacturing and cultural centre of the province and provides a strong base for the business travel market. Outside Greater Vancouver, forest industries are the leading economic sector in Hope and the Fraser Canyon, the Sunshine Coast, Kent, Harrison and Mission areas and agriculture is the dominant activity in the Chilliwack area.

Future economic prospects for the region are bright and include continued expansion of Whistler, potential port and industrial land development at Squamish, the expansion of the Port of Vancouver in conjunction with Western Canadian economic growth, increased trade with Asia/Pacific countries and a continued expansion of the region's service sector paralleling provincial economic growth.

5.2 Key Tourism Products

Unlike other regions in British Columbia, Southwest British Columbia boasts mountain regions, coastal settings and one of Canada's largest river valleys in close proximity to the province's urban centre. Vancouver lends considerable strength to the region by functioning not only as an attraction in itself, but also as a resident tourist market.

The region captures about 40% of the province's non-resident visitor parties and about 48% of non-resident visitor expenditures. While the volume of Canadian and U.S. visitors generally remained stable between 1979 and 1987, the proportion of overseas visitors has increased 30% in the same time period.

Touring

The variety of scenery and tourism resources attract the widest diversity of tourism markets of all British Columbia regions. In 1987, touring was cited by 56% of non-resident visitors to the region as the main purpose of their trip, making touring the region's largest product.

Expo 86 created considerable interest in return visits by tourists and four routes attract the bulk of tours. The Sunshine Coast offers picturesque islands and mountainous fjords and is a popular

resort area both for regional residents and visitors. The Fraser Valley has major routes for visitors along both sides of the Fraser River. The Howe Sound/Whistler/Lillooet route offers spectacular scenery in Howe Sound and Garibaldi Park plus the colorful Gold Rush history of Lillooet. Garibaldi Park alone attracts almost 18,000 day visitor parties annually.

About seven out of ten international visitors identified touring as their main trip purpose. All international visitors demonstrated significantly different travel characteristics from their Canada and U.S. market counterparts. For instance, they were twice as likely as these groups to travel in the region by bus or train, and 30-40% more likely to travel by rented automobile.

Another market not to be forgotten in the touring sector is the visitor who specified that their main trip purpose was visiting friends and relatives (41% of non-resident visitors). This market provides considerable potential for touring within the region and for the region's attractions.

Southwest British Columbia's accommodation base is the finest in the province, lending support to the strength of the touring market. It also provides outstanding attractions such as:

- Vancouver Aquarium;
- the PNE;
- Stanley Park;
- quality shopping.

The region therefore hosts every kind of tourism trip from the most luxurious to the most basic.

Outdoor/Sport/Adventure Travel

Second only to touring, outdoor or wilderness/adventure travel attracts approximately 25% of non-resident visitors to the region. Outdoor/sport/adventure not only attracts its own markets to the region but also provides visitors on other types of trips with a wealth of activities to pursue. The region's mountains, fjords, ocean beaches, farmland and lakes are only a few of the physical attractions for outdoor-oriented visitors. Wilderness parks overlooking spectacular views of Vancouver offer international class hiking, skiing, and mountaineering experiences. Marine parks dot the coastal waterways and together with the region's lakes and rivers offer excellent swimming, fishing, scuba diving and sailing activities. Some of the best cruising waters in the world are located between Vancouver Island and the Lower Mainland. Golf courses offer year-round golfing, saltwater fishing off the coast is excellent, and salmon can be caught within view of Vancouver's downtown.

Not only is the range of outdoor activities diverse, but they cater to every level of enthusiast, from the occasional user to the experienced expert. Thirty-six percent of 1987 non-resident visitors cited an outdoor trip, a wilderness/ adventure or resort visit as the main trip purpose. Visitors from

the U.S. and offshore were more interested in these activities (42% and 39% respectively) than Canadian non-resident visitors (23%).

Urban

Vancouver's urban tourism product is second to none in Western Canada and perhaps Canada. A cosmopolitan city, it offers something for everyone. From first class accom-modation to a full range of events and attractions, the city is the major urban destination in British Columbia. High quality concerts, clubs, galleries, restaurants, shops and theatres, festivals and events are only some of the region's urban attractions. In 1987 about 15% of non-resident visitors to the region cited a city trip as their main purpose. The scenic harbour and mountains together with the accessibility of nearby resorts, touring and outdoor activities provide an unequalled urban experience.

Cruise

The Port of Vancouver is the major gateway for the Alaska cruise industry. About 9% of all non-resident visitors and 15% of U.S. travellers to the region cited cruises as the main purpose of their trip to the region in 1987. The region's varied touring, outdoor/sport/adventure, and urban attractions provide a wealth of pre- and post-cruise package opportunities. As the emerging pocket cruise product develops, the Mainland/Southwest region will be a major staging area for these excursions.

Independent Business Traveller

Vancouver also attracts the bulk of the province's independent business traveller. Vancouver's international airport and diverse recreational features make this city the prime destination for the province's business visitors. Fourteen percent of non-resident visitors to the region cited business as the main purpose of their trip in 1987.

Convention/Meetings

The Vancouver Trade and Convention Centre and Whistler's convention facility, together with the many large hotels in the region, represent the province's largest concentration of convention facilities. The region therefore receives the greatest share of the meeting and convention market. Conventions were cited as the main trip purpose for about 7% of non-resident visitors to the region in 1987. As with the cruise product, the convention market requires urban and outdoor pre- and post-convention attractions for visitors. Both Whistler's and Vancouver's convention facilities are therefore ideally situated for conference packaging.

5.3 Future Potential

Resource Potential

The region is best known for its urban setting, considered one of the most beautiful in the world. The region's mild climate, varied scenery, excellent fishing and boating, and fabulous sandy beaches attract thousands of visitors every year.

Constraints to Realizing Potential

Several important challenges face the region:

- Increasing the connections at Vancouver international airport. For instance, for larger cruises, airport connections are not sufficient and passengers boarding in Vancouver fly to Seattle and are bused to the Vancouver port. As the importance of Vancouver as an international Pacific Rim gateway increases, airport facilities must be expanded to accommodate visitation from this world region. Many non-resident visitors enter the region through Vancouver. Strategies to draw these visitors to other areas within the region for day trips and short tours needs to be developed.
- Past marketing of the region has lacked focus, primarily because of the strength and variety of attractions and markets. The region's fragmented message requires integration to focus on specific tourism products.
- Travel time constraints are important factors to consider--highway congestion from Vancouver to the Whistler area, for example, is becoming a major concern of Vancouver weekend skiers. Similarly, congestion is increasing along routes east from Vancouver to the Fraser Valley.
- Congestion in the region's natural attractions is also an important consideration for future tourism development. Integrated resource planning to ensure that we do not exceed the carrying capacity of these sites is critical.
- The scenic qualities of the region, including valleys, adjacent mountain slopes and lake and coastal shorelines, provide extremely high tourism value. Potential exists for conflict between the tourism industry and resource extraction industries. It is important, therefore, to develop an integrated approach to resource planning and management which recognizes the values of the tourism resource and minimizes the potential for conflict with other users.

- Pollution is an important issue in many of the region's communities and future tourism development can often be constrained by inadequate sewage and sanitation infrastructure.

Opportunities

- Tourism offers significant potential for economic and employment growth in the region.
- The large resident population gives the region an advantage over many other regions of the province. This population can support year-round tourist attractions, cultural events and other activities.
- Increasing interest from Pacific Rim countries in this region offers major potential. Stronger efforts to market the region, and product development which offers more packaged activities represent a major potential for the region.
- Tourism products need to be packaged and sold as an experience and activity and not simply as a touring opportunity. The foreign experience of Canada is appealing to the American market. For example, fly/drive packages have potential for the Californian market. Underdeveloped markets include motorcoach tours and the Japanese market, which is currently oriented mainly to Banff.
- Community-based tours and attractions hold potential for future development. For example, Lillooet's Gold Rush history and its natural beauty is less accessible than the rest of the region. Improvements to both Duffy Lake Road and the British Columbia rail service will help to tap this tourism potential.
- New Westminster's heritage potential has gone largely unexplored, as development has centred in Vancouver and further east up the Fraser Valley.
- The story of the region is generally told in fragmented fashion. Interpretive tours such as one which tells the story of the Fraser River offer potential here.
- Communities in the region outside the urban area have specific attractions which will require careful product development to continue to draw visitors from Vancouver and other markets. An orientation to weekend packages together with ancillary activities can strengthen the tourism product in these communities.
- Heritage and cultural events or attractions could be developed in many communities to give touring visitors a reason to stop.

A cosmopolitan urban centre, wilderness within easy reach of the city, coastal settings, and the Fraser Valley all are strong resources for continued growth in the region's tourism sector. South-

5.0 TOURISM OVERVIEW

west British Columbia can capitalize on future opportunities for continued tourism growth through more targeted product development and marketing.

The large resident population gives the region an advantage over many other regions of the province. Year-round tourist attractions, cultural events and sports teams all need large markets to stay in business. Events can be developed in the region catering primarily to the resident market but which will also attract visitors. For example, many festivals in Vancouver already attract visitors in addition to residents: the Vancouver Folk Festival, the Vancouver Film Festival, Vancouver Sea Festival, Du Maurier Jazz Festival, Children's Festival and Abbotsford Air Show.

As the province's most accessible region the Mainland/ Southwest promises opportunities for continued tourism growth and development well into the future. As the province's major gateway and destination, the region must play a vital role in future provincial tourism planning.

The next section introduces the steps needed for implementing this planning process.

5.0 TOURISM OVERVIEW

The Kootenay region has a wealth of varied attractions, history and scenery and a number of alternative routes to explore. Its future tourism development is promising, both for the established destination resort areas of the Columbia River valley and for the many spectacular lakes and mountain areas throughout the region.

5.1 Setting

Geography and Climate

The region is dominated by four major mountain chains: the Rocky Mountains, Purcell Mountains, the Selkirk Mountains, and the Monashee Mountains. Between each of these mountain chains are spectacular valleys, many with long lakes.

The region's valley climate is southern interior continental, with cold winters and warm, dry summers. Higher elevations have a humid continental climate with longer winters and shorter, cooler summers or an alpine climate with harsher conditions.

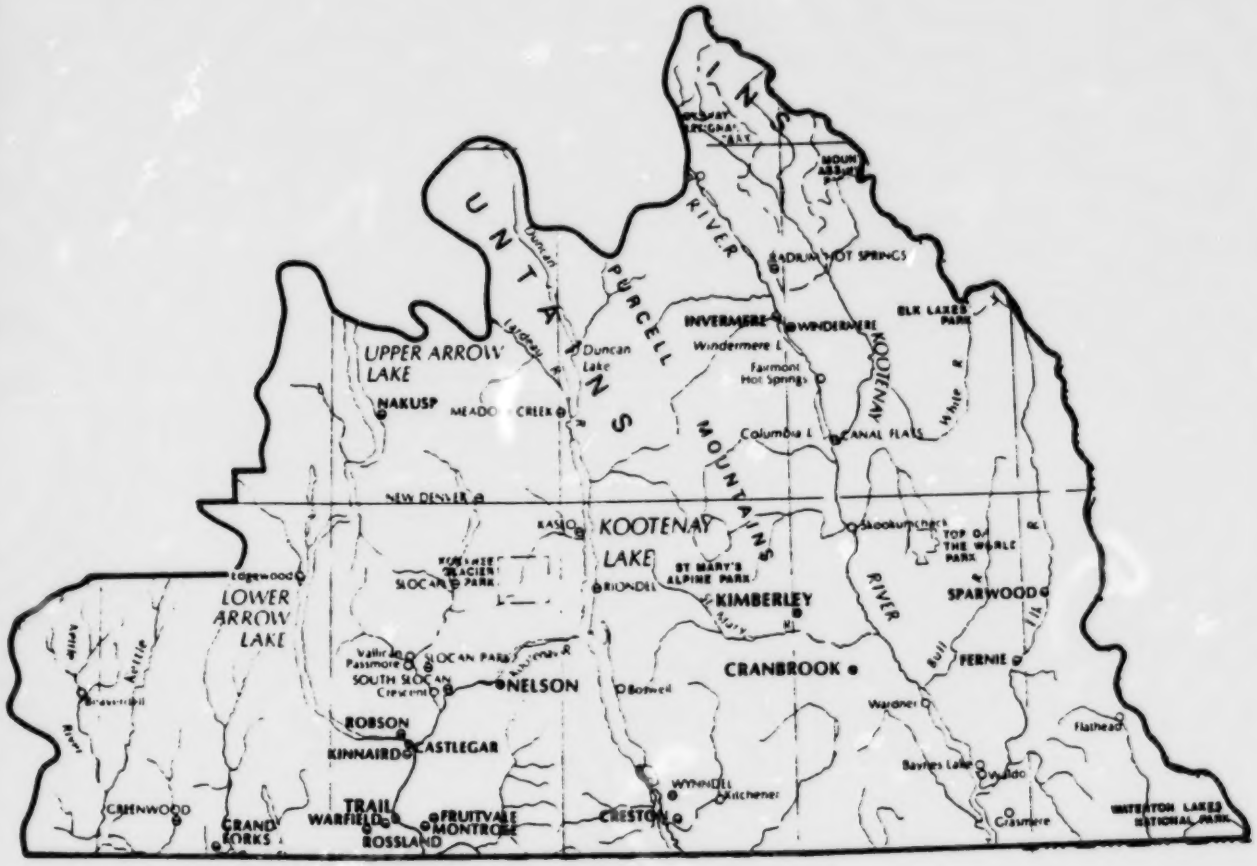
Communities and Population

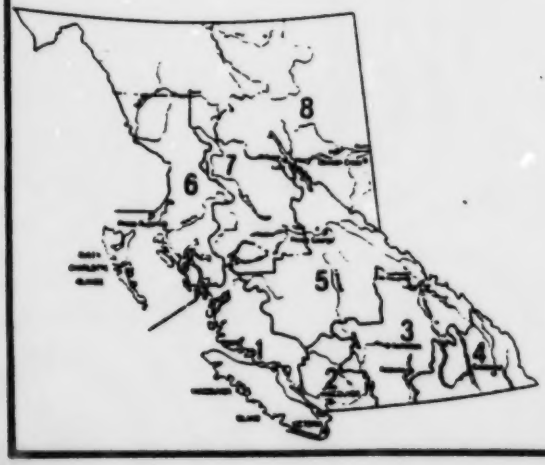
The Kootenay region had an estimated population in 1988 of 126,900. Since 1986 the region's population has declined by an estimated 2.2% a year, and this population decline has been experienced by almost all communities in the region, except Nelson. Exhibit 5.1 shows the population for selected communities and the region as a whole.

EXHIBIT 5.1: SELECTED COMMUNITY AND TOTAL REGION POPULATION

	1986	1987	Average Annual % Change
Cranbrook	15,893	15,175	-2.3
Nelson	8,113	8,134	+0.1
Kimberley	6,732	6,181	-4.2
Castlegar	6,385	6,217	-1.3
Trail	7,948	7,641	-2.0
Rossland	3,472	3,358	-1.7
Grand Forks	3,282	3,187	-1.5
Creston	4,098	3,929	-2.1
Fernie	5,188	4,727	-4.5
Kootenay	**132,534**	**126,873**	**-2.2**

Source: British Columbia Central Statistics Bureau





DEVELOPMENT REGION 4

KOOTENAY

5.0 TOURISM OVERVIEW

The region contains few large centres, but has several medium-sized service centres scattered throughout its many valleys.

- **Cranbook** is the largest community and offers commercial, transportation and government services to the rest of the region. It is a convenient stopover location on Highway 3 and is near Fort Steele, which is one of British Columbia's two provincial historic parks and serves as a major attraction for the region.
- **Kimberley**, the highest city in Canada, has been developed with a Bavarian architectural theme, and is renowned for both its winterfest and summerfest.
- **Nelson**, a commercial and administrative centre with an active outdoor and heritage tourism industry and a recently revitalized historic downtown, has recently been the site of movie filming, and a Japanese English language school, both increasing awareness of Nelson's attractions.
- **Creston**, in one of British Columbia's major fruit-growing areas, is also an important wildlife viewing centre.
- **Elkford**, situated in the Elk Valley, has nearby hiking, hunting, and many other outdoor activities.
- **Sparwood**, the centre of an important coal mining area, offers mining tours as well as sitting strategically on Highway 3 as it enters British Columbia from Alberta.
- **Grand Forks and Castlegar** are two of the few authentic Doukhobor communities in North America.

Economy

The economy of the region is dominated by resource industries. Mining is concentrated largely in the Elk Valley, Kimberly and the smelter at Trail. Forestry occurs throughout the region, ranching and fruit farming in several fertile valley areas.

Economic prospects for tourism in the region are good. Future mining and forestry resource developments will depend on world market conditions and resource management in the region. However, tourism offers an opportunity for the region's future economy.

5.0 TOURISM OVERVIEW

5.2 Key Tourism Products

Touring

Touring and outdoor/sport/adventure are the most important products within the region. In 1987, 67% of non-resident visitors to the West Kootenays and 63% of those to the East Kootenays cited touring as their main purpose. The region also offers several touring opportunities linking communities within the region. Many communities are becoming increasingly aware of the potential for tourism development and recognize the importance of linking together to market themselves as touring routes within the region. Touring attractions include Fort Steele near Cranbrook, Kimberley's Bavarian theme, dams near Castlegar, and a wealth of museums throughout the region (the Mining Museum at Rossland, the Doukhobor Museum at Castlegar, the Rail Museum at Cranbrook). Resort destinations such as Fairmont, Panorama and Radium are perhaps the region's greatest attractions. Hotsprings, golf, hiking, heli-skiing and horseback riding are among the many activities provided at these destinations.

Outdoor/Sport/Adventure

Second only to the touring product, the outdoor/sport/ adventure product not only attracts other markets to the region, but also provides the touring market with activities. In 1987, 49% of non-resident visitors to the East Kootenays and 41% of those to the West Kootenays cited wilderness or outdoor activities as their main purpose. The outdoor/ sport/adventure product is tremendously diverse in the region. Hiking and heli-skiing are available in alpine wilderness settings, for example at Valhalla Provincial Park or Kootenay National Park. Ski hills have also been developed at Fernie, Nelson, Rossland, Kimberley and many other sites. Hotsprings offer relaxation at many sites from the small hotsprings at Nakusp and Ainsworth to the large facilities at Fairmont and Radium. Guide-outfitting is an important activity in the Rockies. The region offers some of the province's best big game hunting including Rocky Mountain Big Horn Sheep, moose, elk, mountain goat, deer and bear. Sportfishing is available throughout the region with world famous Kokanee and many other species.

Independent Business Travel

Cranbrook and Castlegar airports provide business travellers access and highway linkages to the region. These two centres have therefore developed much of the region's independent business product.

5.0 TOURISM OVERVIEW

5.3 Future Potential

Resource Potential

The region is best known for its spectacular scenery, rich history, and hotsprings throughout the region. Snowcapped mountains, valleys and varied cultural history offer visitors many activities to choose from. Much of the region has yet to be developed, aside from the major destination resorts at Invermere and Radium.

Constraints to Realizing Potential

In spite of its great potential, the region faces several important challenges:

- Access remains one of the region's major challenges. The region is not on a major arterial highway and has poor air schedule service.
- Tourism awareness is low and the region needs to improve its product variety and quality to increase the volume of travellers and their length of stay.
- Resource management is vital for a region best known for its spectacular scenery. Non-resident visitors in 1987 cited scenery as the region's best aspect more often than visitors to any other region in British Columbia. The importance of resource extraction to the region's economy indicates a potential for conflicts between logging, mining and tourism. It is important to minimize these potential conflicts through careful resource planning and management.
- Some of the region's tourism facilities are older and require considerable investment to upgrade to meet the higher standards of today's travellers.

Opportunities

- Tourism offers significant potential for economic and employment growth in the region.
- Tourism provides potential for diversification of the region's resource-based economy.
- Some longer-term large-scale developments could be possible. Examples could include Creston's agricultural exhibition centre, an expanded Doukhobor village at Castlegar, or development of Nelson's waterfront.
- The region has good prospects for future small-scale incremental tourism development. The area has high quality resources and an attractive existing

tourism plant composed of smaller-scale destinations. In the short term, some of these resources could possibly be further developed, for example: a new, small destination resort or expansion of existing hotsprings; a small lake cruise operation; excursion bus tours; or horseback riding.

- Tourism products need to be packaged and sold as an experience and activity and not simply as a touring opportunity. The foreign experience in Canada is appealing to the American market. For example, fly-drive packages have potential for the Californian market. Underdeveloped markets include motorcoach tours and the Japanese market, which is currently oriented mainly to Banff.
- Packaged tour opportunities include golf or ski packages.
- Attractions based on the region's diverse culture and history can be developed to enhance the region's large touring market.
- Winter activities could be further developed to draw from regional markets, such as Eastern Washington, Alberta and the rest of British Columbia.
- Future potential also exists for more heli-skiing and cross-country skiing. The region already offers some of the province's best skiing. It is only a matter of combining convenient access and strategic marketing to increase their importance to the region.
- Since Spokane and Calgary are the nearest large urban centres, marketing should logically focus on these. Nevertheless, the Lower Mainland and Ontario markets offer potential for secondary development.
- Communities in the region each have a unique contribution to make to the region's tourism development. There is therefore a need to co-ordinate activities and work together to complement rather than compete for tourism. Visitor attractions, services and activities are spread throughout the region, but each community can make its special appeal fit into a regional experience.

The Kootenay region has a mosaic of cultures, a fascinating cultural history, unequalled beauty and a variety of routes to exployre. Through careful planning, the region can meet its challenges and achieve its potential without losing its unique character.

The next section introduces the steps needed for implementing this planning process.

5.0 TOURISM OVERVIEW

The region's contrasting natural features--from mountain solitude to blossoming orchards--its rich history and its lake recreation resorts draw visitors from other regions of the province, the rest of Canada and, increasingly, from the rest of the world. The Thompson/Okanagan region has heavy pass-through traffic volumes, important destinations, especially the Okanagan Valley, and a myriad of outdoor adventure attractions, all offering considerable scope for future tourism development.

5.1 Setting

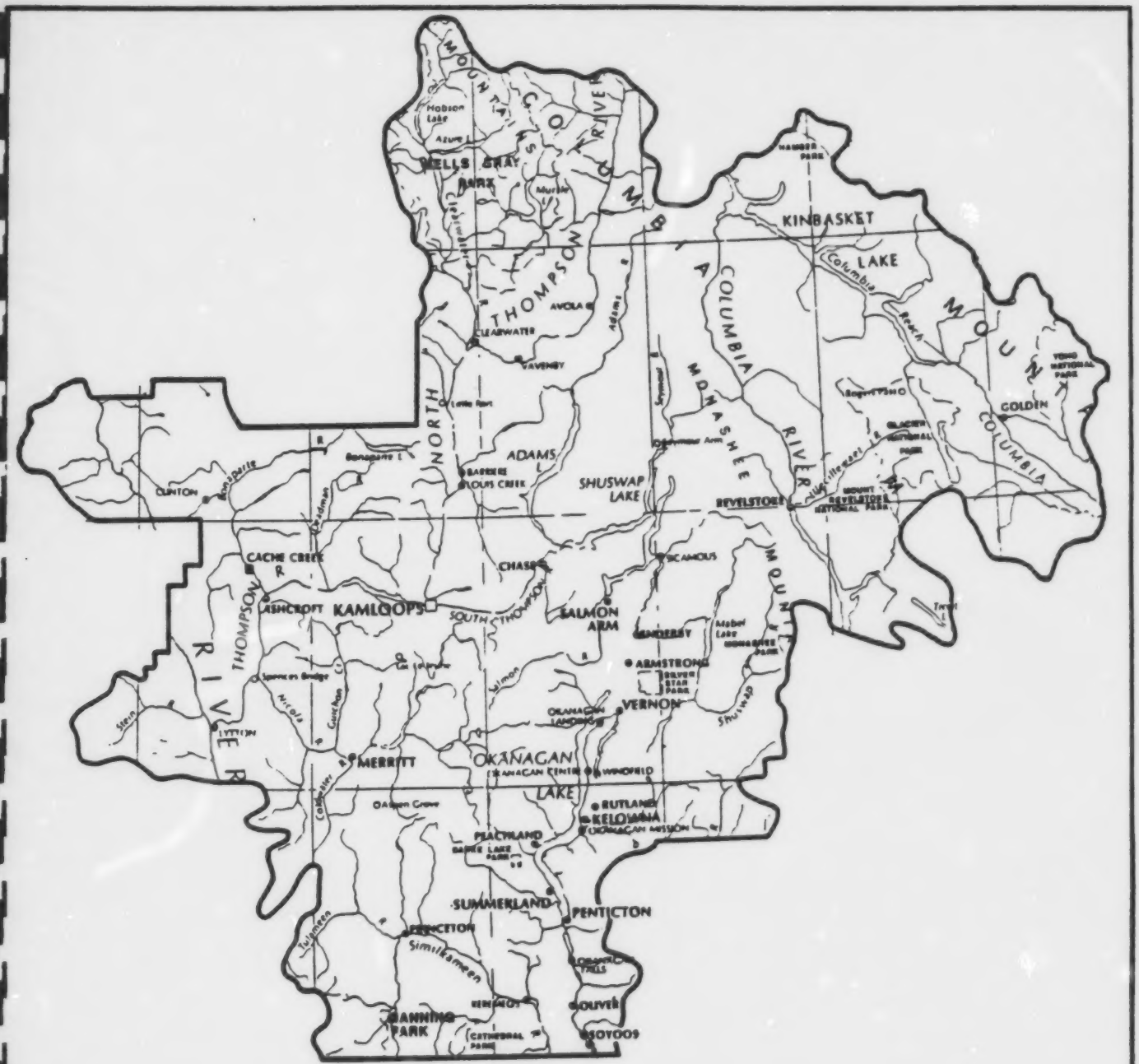
Geography and Climate

In the western half of the region is the high Thompson Plateau, a series of rolling, flat-topped hills, surrounded by mountain chains: the Rocky Mountains, the Columbia Mountains and the Cascade Mountains. Two valley trenches cut through the region roughly north to south and their long lake chains offer attractive water recreation. The Okanagan trench contains the bulk of the region's population and the Okanagan-Shuswap Lakes. The Columbia River flows north through the Rocky Mountain trench and then south through a series of manmade reservoirs.

The western part of the region's climate is predominantly interior continental, with cold winters, and warm, dry or warm, humid summers. Higher elevations, especially in the eastern part of the region, have a humid continental climate with more winter snow and shorter, cooler summers.

Communities and Population

The Thompson/Okanagan region had an estimated population in 1988 of 348,800 (36% of whom reside in the region's two major centres, Kelowna and Kamloops) representing about 12% of the province's total population. The region has the third largest population of all regions in British Columbia with an average annual growth rate of almost 1% between 1986 and 1988. Exhibit 5.1 shows the population for selected communities and the region as a whole: most of the region's recent population growth has occurred in the Okanagan Valley.



DEVELOPMENT REGION 3

THOMPSON-OKANAGAN

5.0 TOURISM OVERVIEW

EXHIBIT 5.1: SELECTED COMMUNITY AND TOTAL REGION POPULATION

	1986	1988	Average Annual % Change
Kelowna	61,213	64,480	+2.6
Kamloops	61,773	61,967	+0.2
Penticton	23,588	24,811	+2.6
Golden	3,584	3,801	+3.0
Salmon Arm	11,199	11,136	-0.3
Osoyoos	2,956	2,921	-0.6
Revelstoke	8,279	7,991	-1.8
Summerland	7,755	8,315	+3.5
Merritt	6,180	6,091	-0.7
Coldstream	6,872	7,058	+1.3
Vernon	20,241	20,786	+1.3
Armstrong	2,706	2,699	-0.1
Princeton	2,910	2,702	-3.6
Thompson-Okanagan	**342,456**	**348,793**	**+0.9**

Source: British Columbia Central Statistics Bureau

- **Kelowna** is the largest community in the region and is located on Okanagan Lake. Together with Kamloops it provides the region's major trade, transportation and administration services.
- **Penticton and Vernon**, north and south of Kelowna, also share in the Okanagan Valley tourism industry.
- **Kamloops** is at the junction of several major highways in the northern interior (the Coquihalla and Trans-Canada, as well as Highway 97 from the Okanagan to the Cariboo and the Yellowhead Highway 5). Kamloops' strategic location makes it the major crossroads community in the region, providing rail, highway and trade services.
- **Golden** is the most eastern community on Highway 1 and therefore serves as the first introduction to British Columbia for many highway visitors.
- **Osoyoos** is located in the only pocket of true desert in Canada and, as a border town, receives the majority of U.S. visitors destined for the Okanagan Valley.

- **Merritt** is located on the recently completed Phases 1 and 2 of the Coquihalla Highway. The surrounding area offers excellent fishing, boating and hunting opportunities for tourists.
- **Revelstoke**, near the famous Mount Revelstoke National Park, offers visitors a convenient stop-over on the their travel along Highway 1.

Economy

The economy of the region is dominated by forestry, mining and agriculture, but tourism is an important industry, especially in the Okanagan Valley. Highway and rail services make an important contribution to local economies, especially in Kamloops, Golden, Revelstoke, Ashcroft, and Cache Creek. The retirement industry represents a major prospect for the region's economic growth. Agriculture, forestry and mineral development will all continue to dominate in many areas of the region, but all depend on world commodity market and trade conditions. Tourism therefore offers the region opportunities for diversification in the future.

5.2 Key Tourism Products

The region has two distinct types of tourism. The Okanagan Valley is the heart of the region's destination tourism industry and elsewhere tourism development is more dispersed, focusing on highway touring or specific activities such as fishing, hunting, skiing, hiking or riding.

The Okanagan is one of the most popular summer vacation destinations in western Canada. It offers hot, sunny weather, warm lakes and fresh fruit stands to passing and vacationing tourists. Together the Okanagan and Shushwap Lake systems have become the most popular destination in the province outside of the coast. The Okanagan Valley's pleasant weather, summer and winter, and lovely orchards, together with a host of activities and resorts, have led to the development of the Valley as a traditional summer vacation destination in Canada.

Lake activities at Okanagan, Shushwap, Kalamaka and Skaha Lakes include boating, waterskiing, sunbathing and swimming. The Osoyoos border crossing is the major access point for American visitors, and the region traditionally draws from British Columbia and Alberta markets as well. Winery tours, guest ranching and sportfishing are also major attractions to this destination area.

Touring

The touring market travels through the region, as well as travelling to the Okanagan Valley destination. In 1987, 67% of non-resident visitors to the Thompson and 61% of non-resident visitors to the Okanagan cited touring as their main purpose. The region is only four to six hours drive from the

major British Columbia, Alberta and U.S. markets and offers many circle tour possibilities through the region.

Theme parks, cultural events and many festivals, together with historic and outdoor activities, all draw visitors to spend more of their tour in the region. Highway-oriented services are concentrated at Kamloops and Kelowna, with many other clusters throughout the region, notably: Golden, Revelstoke, Salmon Arm, Sicamous, Merritt, Cache Creek, Penticton, and Vernon.

Traffic volumes through the region reflect the large touring market. The region's major non-British Columbia resident markets continue to be visitors from Alberta and Washington; however the proportion of Albertan visitors has dropped significantly from 1979 to 1987 and the proportion of those from Washington has stayed stable. Other U.S. and international visitors have greatly increased their share of the region's tourism market. The region's weather and recreation features are an important aspect of the attractiveness for touring, as is the scenic beauty of the environment.

Outdoor/Sport/Adventure

Second only to touring are the many outdoor/sport/adventure activities available in the region. In 1987, 46% of non-resident visitors to the Thompson and 38% of those to the Okanagan cited outdoor or wilderness activities as their main purpose. Skiing is available, with slopes for beginners, experienced skiers and many cross-country touring opportunities. Apex, Big White, Silver Star are popular ski hill destinations. The region offers some of the most consistent ski conditions in western Canada, together with mild winter weather. The ski industry has also had a long history of co-operative marketing of the ski product.

Throughout the region excellent freshwater fishing opportunities abound. A multitude of lakes in the region offer tremendous opportunity for water sports. An early golf season and many golf courses located in the Okanagan Valley are also important sport activities. Several important trail riding and dude ranch establishments offer frontier atmosphere together with easy accessibility. Major national parks also offer hiking and mountaineering opportunities at Glacier and Yoho. Manning and Wells Gray Provincial Parks are both important destinations for the outdoor enthusiast. Manning attracts about 256,000 and Wells Gray about 3,000 day visitor parties annually.

Heli-skiing is an important product in the region as well, catering to an international market worth approximately $17 million to British Columbia.

Independent Business and Meetings/Conferences

Other important contributors to the region are the independent business and meetings/convention products. The Okanagan conference program was begun in 1986/87 with Pacific Western Airlines. They began a marketing program to expand the meetings and employee incentive travel in the

region, marketing throughout western Canada and in Washington State. The convention centre at Penticton hosted about 53,000 delegate days in 1988. Several other meeting products focus on specific sectors such as the Summer School of the Arts, the Square Dance Jamborees in Penticton or the Okanagan Hockey School. These attract thousands of visitors for specific interests.

5.3 Future Potential

Resource Potential

The region is endowed with natural beauty, an exciting year-round series of outdoor activities and a rich history. Increasingly, international markets are discovering the diverse tourism resources available.

Constraints to Realizing Potential

In spite of the region's resource potential, it faces several important challenges:

- Presently the most heavily travelled tour routes are along Highways 1 and 97. Developing attractions on Highways 3 and 5 is needed to draw visitors to increase their length of stay in these parts of the region.
- Aside from the Okanagan Valley, much of the region is not clearly identified in the visitor's mind with specific products.
- Marketing of parks by Parks Canada and British Columbia Parks has not, to date, been integrated into regional tourism planning.
- Many natural areas such as the Stein Valley are within easy reach of the Lower Mainland market, but offer difficult resource management issues to resolve. The scenic qualities of the region, including valleys, adjacent mountain slopes, rolling grasslands and lake and river shorelines, provide extremely high tourism value. Potential exists for conflict between the tourism industry and resource extraction industries. It is important, therefore, to develop an integrated approach to resource planning and management which recognizes the values of the tourism resource and minimizes the potential for conflict with other users.

5.0 TOURISM OVERVIEW

Opportunities

- Tourism provides an excellent opportunity to diversify the region's resource-based economy. Many communities in the region are becoming increasingly aware of the potential for tourism development.
- The full touring potential of highways through the region has yet to develop. Highways 1, 97, 3 and 5 provide a wealth of alternate routing through the region to other destinations. Because of the heavy pass-through traffic in the area, the potential markets exist for communities which can provide heritage or cultural events and attractions to give visitors a reason to stop.
- Tourism products need to be packaged and sold as an experience and activity and not simply as a touring opportunity. The foreign experience of Canada is appealing to the American market. For example, fly/drive packages have potential for the Californian market. Underdeveloped markets include motorcoach tours and the Japanese market, which is currently oriented mainly to Banff.
- While a tourism identity already exists in the Okanagan Valley, there are opportunities to develop added products and markets in other parts of the region. For example, Kamloops can build on its location by serving as a hub for day trips, as could Revelstoke or Osoyoss, on a smaller scale.
- There exists considerable development potential for facilities and services that support activities within some of the national and provincial parks. Several outdoor opportunities remain to be developed such as Wells Gray Park, which has yet to reach its full potential.
- Native heritage has yet to be fully developed. Several native bands have resided in the region for thousands of years but promoting native culture must involve these bands as well as offer convenient locations for the travelling market.
- The development of the shoulder seasons are particularly important in this region. To date, the majority of travellers arrive in the region in the summer or winter months. Non-traditional shoulder season tours, for example winery tours or wildlife viewing, offer potential for the fall and spring. Golf packages or fruit harvest attractions could also contribute to growth during the shoulder season.
- Outdoor adventure opportunities abound. Frontier World is a good example of a multifaceted development appealing to a wide cross-section of visitors . Other outdoor adventure opportunities exist for whitewater rafting, trail riding and freshwater fishing throughout the region.

- To date the region has not yet drawn a large bus tour business. However tour operators are interested in developing this part of the province, focusing both on summer events and on shoulder season events.

Although this section has only been able to highlight some of the major features of tourism in the Thompson/Okanagan region, the region's heavy pass-through traffic, important destination features and outdoor adventure attractions offer considerable scope for future tourism development. This development can best be realized through joint community efforts and planning.

The next section introduces the steps needed for implementing this planning process.

5.0 TOURISM OVERVIEW

The Cariboo Region is characterized by a diverse landscape of spectacular mountains, sweeping valleys, rolling grassland and forest range, interspersed with a network of rivers, streams and scenic lakes. The region also has a rich frontier history which is abundantly evident in the architectural heritage and in cultural events such as the Williams Lake Stampede, Quesnel's Billy Barker Days and Prince George's Simon Fraser Days. The Cariboo offers significant tourism opportunities in both the touring sector and in the outdoor/sport/adventure sector.

5.1 Setting

Geography and Climate

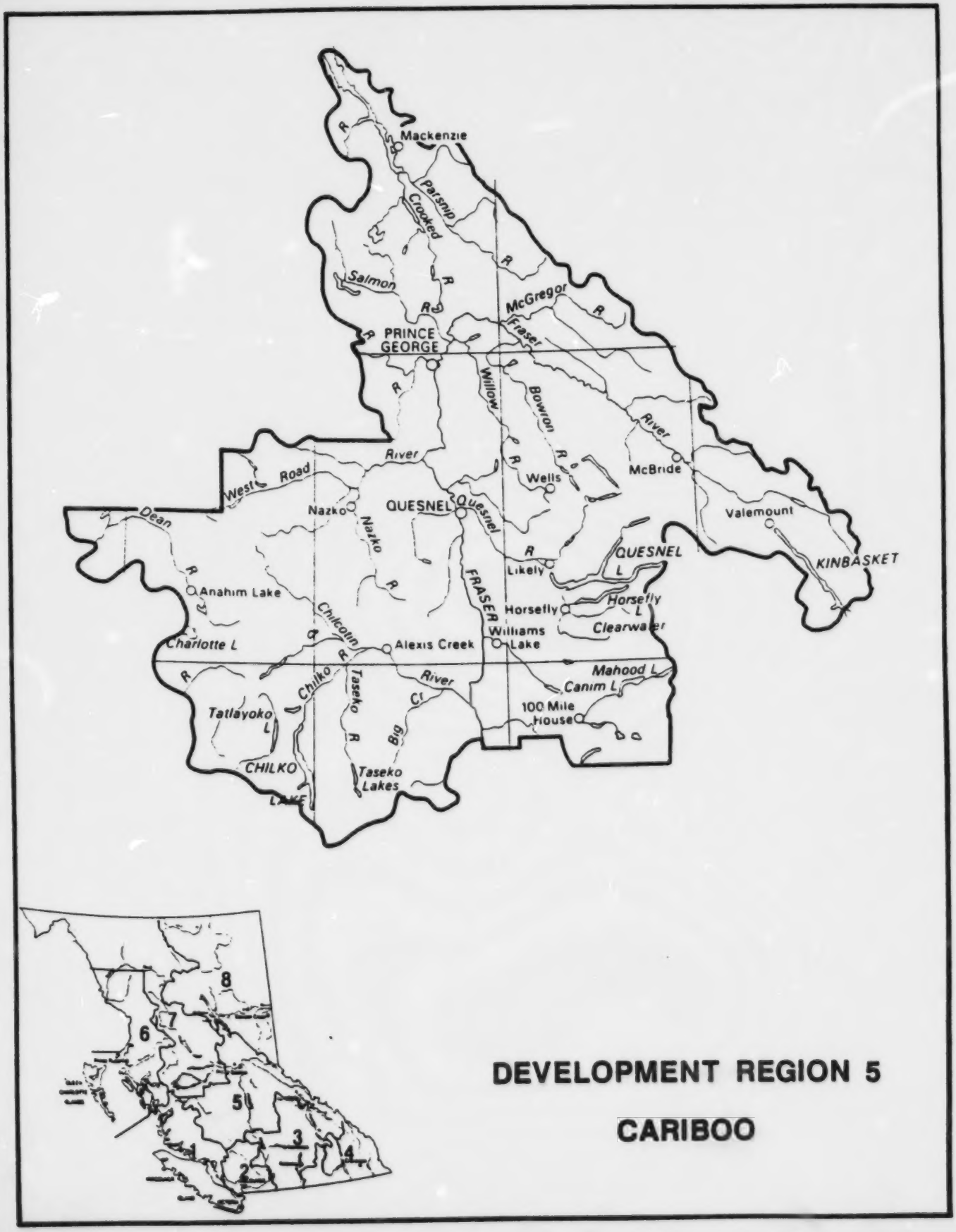
The Cariboo is bounded by the Rocky Mountains to the east and the southern Coast Mountains to the west, both of which are home to some of the province's highest peaks (Mount Robson, highest point in the Canadian Rockies, and Mount Waddington, highest point in British Columbia). The Central Interior Plateau, an area of highlands and plateaus, extends between these mountainous borders from 100 Mile House in the south to Mackenzie in the north.

The interior climate of the Cariboo Region features a short but warm summer and cold, clear winter, with adequate snow cover for virtually all winter activities. In addition, the dry climate and moderate temperatures provide a very comfortable and appealing shoulder season for active outdoor pursuits.

EXHIBIT 5.1: SELECTED COMMUNITY AND TOTAL REGION POPULATION

	1986	1988	Average Annual Compound % Change
Quesnel	8,358	8,069	-1.7
Williams Lake	10,280	10,415	+0.7
100 Mile House	1,692	1,632	-1.8
Mackenzie	5,542	5,312	-2.1
McBride	592	568	-2.0
Prince George	67,621	65,779	-1.4
Valemount	1,161	1,157	-0.2
Cariboo	**149,810**	**146,121**	**-1.2**

Source: British Columbia Central Statistics Bureau



DEVELOPMENT REGION 5

CARIBOO

5.0 TOURISM OVERVIEW

Communities and Population

The Cariboo Region had an estimated population of 146,121 in 1988 (57.7% of whom live in Williams Lake, Quesnel or Prince George) representing 4.9% of the province's total population. Exhibit 5.1 illustrates a consistent decline in the population of the region between 1986 and 1988 for all communities except Williams Lake.

- **Prince George**, as the region's largest city, has developed as a major transportation, service and primary processing centre for the mining and forestry industries as well as becoming the prime service centre for the area's tourism industry.
- **Williams Lake**, at the junction of Highway 97 and Highway 20, is a transportation and processing centre for several sectors, including livestock. Its annual stampede brings many visitors to the region and it is a tourism service centre and departure point for outdoor adventure activities.
- **Quesnel**, located between Prince George and Williams Lake, serves as an access point to Barkerville Historic Park and Bowron Lakes Provincial Park. Quesnel's present role is primarily as a service centre for the region's touring market, but it does have considerable heritage potential.
- **Mackenzie**, on Highway 39, was one of the province's first "instant" towns, built during the construction of the W.A.C. Bennett dam. Located on manmade Williston Lake, British Columbia's largest, Mackenzie is ideally situated for fishing, hunting and wilderness adventure.
- **McBride**, located on Highway 16 in the Robson Valley, is a base for the area's exceptional hiking and fishing. Surrounded by the Cariboo and Rocky Mountains, it is a key tourism service centre on Highway 16, in close proximity to Mount Robson Provincial Park and the Alberta border.

Economy

The region is dominated by the forest industry and related manufacturing, although cattle ranching, agriculture and mining also play significant roles in the Quesnel-Williams Lake-100 Mile House corridor. Prince George presently has a community college and has been given agreement-in-principle to establish a four-year degree-granting institution. This may present opportunities for the region in terms of providing educational programs for the tourism sector.

5.2 Key Tourism Products

The Cariboo Region offers tremendous tourism potential as a wilderness setting that features an abundance of fish and wildlife throughout extensive mountain ranges, grasslands, forest ranges, and a myriad of lakes and rivers. The frontier and wilderness setting capture the imagination of visitors through stampedes, rodeos, historic town sites and rustic wilderness lodges.

Touring

Touring is a key market in this area. With Highway 97 cutting its way from 100 Mile House in the south of the region through Williams Lake and Prince George to MacKenzie and further points north towards the Alaska Highway, travellers along this route go through the heart of the plateau to the edge of the Rocky Mountains. From Mount Robson Park, adjacent to Alberta's Jasper National Park, Highway 16 and a CNR-VIA Rail line run roughly west-east through Prince George towards Vanderhoof and Prince Rupert. By virtue of its location at the junction of the two major highways, Prince George stands to profit as a major service centre for the touring travel market.

Visitor '87 indicates that 60% of the non-resident visitors to the Cariboo[1] cited touring as a main purpose of their trip. The report also indicates that touring was extremely popular among international visitors (81%) and visitors from the U.S. (58%). It is also worth noting that the number of both international and U.S. visitors as a proportion of the total number of visitors to the Cariboo has increased significantly between 1979 (previous visitor survey) and 1987.

Finally, Visitor '87 indicates that the main visitor activities relating to touring were shopping, sightseeing, passing through, beach/lakeshore and historic sites. The best aspects of the Cariboo in relation to touring were: scenery, friendly people, lakes, and general touring.

These figures and observations indicate that the touring product is extremely important to the Cariboo Region, particularly among U.S and international markets. In

- order to maintain and increase market share, it is important to identify ways in which the touring product can be strengthened to provide increased visitor appeal. Some suggestions include:
- further emphasis on and development of dominant heritage attributes in the region based on the native Indian, fur trading, Cariboo Gold Rush and western frontier themes. Existing and potential attractions are located throughout the region and

1 Figures presented from Visitor 87 are based on the Cariboo Tourism Region as opposed to the Cariboo Economic Region.

include Barkerville, Cottonwood House, Wells, Fort McLeod, Quesnelle Forks, the Alexander Grease Trail and many more;

- continued development and promotion of festivals and events based on dominant cultural and heritage themes of the region;
- increased linkages of communities along touring routes to further develop the range of services and attractions as part of the touring product. Many communities may identify specific strengths as either service centres or attractions;
- blending of outdoor/sport/adventure activities with the touring product to provide opportunities for the touring market to experience easily accessible outdoor and adventure activities such as wildlife viewing or river rafting.

Outdoor/Sport/Adventure

The outdoor/sport/adventure product is also very important to the Cariboo Region. The area's diverse geographic features support a wide variety of outdoor activities ranging from trail riding to sportfishing to river rafting.

Natural wildlife and the opportunities that it presents for tourism are numerous. Especially important are the opportunities for sportfishing, wildlife viewing, trail riding and hunting. Many of the region's lakes are set against scenic backdrops and provide for some of the best freshwater sportfishing in British Columbia. The Lower Mainland remains the largest single market for lake resorts in the area. The more mountainous, isolated areas provide habitat for black bear, moose, and deer which attract hunters and wildlife viewers from North America and Europe.

The grasslands of the southern Cariboo support a large cattle industry and also include many of the finest guest ranches in the province. Although the image of the Cariboo as a region offering guest ranch experience is already well established in the minds of many visitors, the potential for increased awareness and market growth in this sector is significant.

The rivers and lakes in the region also provide great potential for additional development of watersport activities. In the summer, the Bowron Lakes chain has become so popular for canoeists that reservations are now needed. Surrounding lakes offer similar water-based recreational potential including canoeing, swimming, and fishing. Several rivers, including the Fraser and the Chilcoltin, provide excellent opportunities for whitewater rafting and canoeing/kayaking.

The region also provides good opportunity for the development of winter activities such as cross-country skiing, snowmobiling and ice fishing. The open ranges of the plateaus combined with a cold winter climate provide a perfect combination for cross-country ski enthusiasts. The region is ideally suited for the development of point-to-point cross-country ski touring and snowmobile touring. The concept requires the development of trail networks linked to resorts and service

communities and allows skiers or snowmobilers to stay in different accommodation facilities each evening. The touring product is enhanced with the provision of warming huts and food and beverage stops along the trail network and with a shuttle service to transport baggage ahead to accommodation facilities. It is important to note, however, that the cross-country skiing and snowmobiling products are not compatible and that they need to be developed as separate and distinct activities.

Visitor '87 indicates that wilderness/adventure and outdoor activities represented the main trip purpose for a significant number of visitors to the Cariboo. Among international visitors, 60% indicated that wilderness/adventure was a main purpose of their visit.

The Cariboo Region has good potential to increase its share of the outdoor/sport/adventure market. The region has outstanding natural resources and a variety of existing and potential outdoor/sport/adventure attractions. Growth in this market is estimated at 20% per year. It is important to recognize, however, that this market, while it is relatively new and expanding at a rapid rate, has very specialized demands. The greatest potential for growth is in the 35-50 age group. This group has very specific preferences which include a desire for adventure, personal growth and education opportunities and a high quality of service all within a true wilderness setting.

In addition to its growth potential, the outdoor/sport/adventure product provides opportunities for significant increases in tourism expenditures. Typically this consumer spends between $75 and $390 more per day in British Columbia than the touring visitor. In order to maximize the growth potential of this sector, it is critical to develop products that fully satisfy the expectations and preferences of target markets.

Meetings/Conferences/Independent Business Travel

Prince George offers the greatest potential for growth in the small and medium-sized meetings market. The city offers a range of small meeting facilities, full service accommodation and a complete range of business services including restaurants, recreation, transportation and business support.

The high-quality guest ranches and sportfishing and wilderness resorts in the Cariboo Region offer potential for growth in the specialized corporate meeting and incentive market.

Independent business travel gravitates towards Prince George since it is at the junction of the two major highway routes and the two major railway routes in the region. The city's role as a regional administrative, commercial and manufacturing (mostly wood product related) centre attracts more of the independent business travel because of the infrastructure that is in place to meet the business needs. Airports, higher quality hotels, and business services are all essential components for this tourism sector.

Quesnel and Williams Lake also experience independent business travel in their role as business service centres. These two communities offer direct air service from Vancouver. In order to fully develop their potential in the independent business and small meetings market, these communities will have to further develop their full service hotel accommodation facilities.

5.3 Future Potential

Resource Potential

The Cariboo Region features a diverse and extremely attractive landscape providing potential for growth and development in both the touring and outdoor/sport/adventure product sectors. The region also features high quality heritage and cultural resources based on the Cariboo Gold Rush, fur trading, western frontier, forest industry and native Indian themes.

Constraints to Realizing Potential

Several important challenges face the region:

- Travel times from major population centres require development of destination products and marketing strategies to draw greater number of visitors into the region. The development of fly-drive packages will also reduce the impact of distance.
- There is a lack of full service accommodation facilities and related services to support independent business and small meetings markets in small centres.
- The accommodation and service plant requires upgrading to respond to current preferences in touring markets.
- Communities are not fully integrated in terms of providing a full range of attractions, facilities and services as part of the touring product.
- A high-quality wilderness resource requires development of a product which responds to the preferences of the outdoor/sport/adventure market.
- The scenic qualities of the region, including valleys, adjacent mountain slopes, grasslands, and lake and river shorelines, provide extremely high tourism value. Potential exists for conflict between the tourism industry and resource extraction industries. It is important, therefore, to develop an integrated approach to resource planning and management which recognizes the value of the tourism resource and minimizes the potential for conflict with other users.

5.0 TOURISM OVERVIEW

Opportunities

- Tourism offers significant potential for economic and employment growth in the region.
- Tourism provides potential for diversification of the region's resource-based economy.
- The natural tourism resource features of the Cariboo Region are diverse and of an extremely high quality. They provide good capability for intensive land and water-based outdoor adventure activities. At present the resource is underdeveloped. New products could be developed to take advantage of this potential, along with marketing strategies to create awareness in target markets.
- The region features major east-west and north-south transportation access by both road and rail. It also has scheduled air service to Prince George, Williams Lake and Quesnel. This transportation access, in combination with scenic and historic attributes, provides potential to further develop the touring product for both drive-through and fly-drive visitors.
- Tourism products need to be packaged and sold as an experience and activity and not simply as a touring opportunity. The foreign experience of Canada is appealing to the American market. For example fly-drive packages have potential for the Californian market. Underdeveloped markets include motorcoach and the Japanese market, which is currently oriented mainly to Banff.
- The "hub and spoke" concept of group touring (long stays at a central destination with shorter day trips to surrounding attractions) offers potential for the larger service centres in the region, particularly those offering a variety of interesting attractions within a one-day radius.
- The open range country of the southern Cariboo Region is ideal for the development of separate point-to-point cross-country ski or snowmobile touring, linking together resorts and communities as part of a touring package.
- The climate and geography of the region are capable of supporting winter, summer and shoulder season activities. Seasonality in the industry could be improved by further developing winter and shoulder season potential along with four season resorts.

The climate and geography of the Cariboo Region supports activities on a year-round basis. The diversity and abundance of wildlife resources provide opportunities for the further development of high-quality sportfishing, big game hunting and wildlife viewing activities. The rolling grasslands of the southern part of the region are ideal for guest ranching, trailriding and cross-country skiing.

5.0 TOURISM OVERVIEW

The rivers and lakes in the region support a variety of water-based activities including river rafting, canoeing, kayaking, recreational boating and swimming.

The well-developed transportation infrastructure and service base, in combination with outstanding scenery and a rich cultural history, provide good potential to further develop the touring product and thereby the number of touring visitors to the region.

The Cariboo Region has excellent potential to develop its tourism industry as a means of expanding and diversifying the regional economy. Such development requires careful planning to meet the region's challenges and achieve its potential.

The next section introduces the steps needed for implementing this planning process.

5.0 TOURISM OVERVIEW

The centrepiece of the North Coast Region is the Queen Charlotte Islands (QCI). Internationally acclaimed, this natural and native cultural attraction promises an excellent tourism future for the region. The coastal areas of Prince Rupert, the area following the Stewart-Cassiar Highway (37) from Hazelton up to Mount Edziza and the Spatsizi Plateau Wilderness Parks at the very north of the region also contribute to the remote wilderness tourism experience which the region offers.

5.1Setting

Geography and Climate

The coastal areas have a west coast climate with mild, wet winters and warm summers. Going further inland, the climate becomes Humid Continental with cold, snowy winters and short, cool summers. North of Stewart and sheltered by the Boundary ranges, a Northern Interior Continental climate prevails with long, cold winters and short, cool summers.

Communities and Population

The North Coast Region had an estimated 1988 population of 62,600 people (59% of whom live in one of Prince Rupert, Kitimat, or Terrace) representing 2.1% of the province's total population. The population has remained relatively stable over the last few years, as shown in Exhibit 5.1.

DEVELOPMENT REGION 6

NORTH COAST

5.0 TOURISM OVERVIEW

EXHIBIT 5.1:SELECTED COMMUNITY AND TOTAL REGION POPULATION

	1986	1988	Average Annual Compound % Change
Masset	1,529	1,523	-0.2
Port Clements	539	548	+0.8
Port Edward	704	567	-10.3
Prince Rupert	15,755	15,909	+0.5
Hazelton	436	456	+2.3
Kitimat	11,196	10,683	-2.3
New Hazelton	796	858	+3.8
Stewart	858	1,044	+10.3
Terrace	10,532	10,663	+0.6
North Coast	62,544	62,647	+0.1

Source: British Columbia Central Statistics Bureau

- **Prince Rupert** serves as the region's trade centre and as a tourism gateway to the region. Prince Rupert distinguishes itself from other, smaller service centres in the region with its diverse transportation access facilities (highway, air and the port). QCI service centres include Sandspit, Masset and Queen Charlotte City, offering both marine and air access. The region's remaining communities function as highway oriented service centres. The two largest communities outside Prince Rupert are Terrace and Kitimat.
- **Terrace**, located on the Yellowhead Highway, is a major regional administrative centre and offers travellers a number of nearby natural and historic attractions and events.
- **Kitimat**, an industrial community situated at the head of one of the region's fjords, provides visitors with spectacular coastal scenery and nearby fishing opportunities.
- **Hazelton and New Hazelton**, is the centre of a rich native culture and the staging area for trips up the Kispiox and Nass Rivers.

Economy

The region's economy is dominated by resource industries: logging; the manufacture of wood related products including pulp; fishing; aluminum smelting; and the mining of copper and precious metals. The Terrace-Hazelton area's main industries are forestry and tourism. The coastal areas are largely dependent on the fishing industry. Kitimat is the site of an aluminum smelter, as well

as the location of a pulp mill and methanol plant. The Queen Charlotte Islands themselves derive substantial economic benefit from tourism and logging. The Stewart area economy is based primarily on the mining industry with some tourism (guide/outfitting and hunting) to the north.

Increases in tourism driven by the international attraction of the QCI is a bright spot in the region's future prospects. Forestry industry activity is expected to grow in the Stewart area and other resource-based industrial activity is expected to remain stable.

5.2 Key Tourism Products

Mention the Queen Charlotte Islands to anyone considering a trip in North America and images of pristine westcoast rainforests undoubtedly come to mind. With the proposed South Moresby National Park and existing Naikoon Provincial Park in the north there will be two large parks on each end of these West Coast Galapagos. Across the Hecate Strait, 100 kilometres away, the Coast Mountains rise out of the water 1200 metres into the air creating the deep fjords of the undulating coastline. The area's natural beauty and mystique provide an outstanding setting for the ancient cultures of the coastal Indians. This dynamic cultural resource enriches the visitor with demonstration ceremonies, interpretive programs, and the artifacts and hand carved and crafted works of these living cultures. The wilderness settings of the region and features such as international-class fishing offer opportunities for the outdoor sport adventurer to enjoy the wildlife and fisheries.

Touring

The touring product is of key importance to the region. Using Prince Rupert as a west coast termination point, the VIA Rail-CNR line and the Yellowhead (Highway 16) cross the province to Prince George. From Kitimat, where aluminum smelter, methanol plant and pulp mill tours are offered daily, Highway 37 meets up with the Yellowhead (Highway 16) at Terrace. Terrace is a major highway service centre and has many nearby geological and archaeological attractions, as well as a wide variety of local events. Along the route is Lakelse, the site of hotsprings currently being redeveloped into a world-class resort.

Travelling along Highway 16 towards Prince George and taking a sidetrip at New Hazelton one comes to the 'Ksan Indian Village, a restoration of a Gitksan tribal village. Further on the same road are the Kispiox totem poles, the world's tallest. The Hazelton-Kispiox area is the home of one of the province's most distinct native cultures.

Improvements made to the Stewart-Cassiar Highway (37) have made the route an alternative to the Alaska Highway, especially for those interested in taking the Inside Passage Ferry from Prince Rupert to Port Hardy on Vancouver Island. In 1988 the Inside Passage Ferry carried almost 66,000 passengers, a 10.7% increase over 1987.

Prince Rupert is also a terminus for ferry service to the Queen Charlotte Islands and Alaska. The Native Cultural Centre here is developing as an impressive regional attraction. The Port Edwards cannery demonstrates the historical importance of fishing to the area. The ferry from Prince Rupert to Skidegate landing enables access to the QCI. In 1988 this route carried 36,000 passengers, an 8.3% increase over 1987.

Outdoor/Adventure Travel

The region's outdoor adventure travel product is rich and diverse:

- natural interpretive and historic/cultural packages in the QCI;
- wildlife viewing in the proposed South Moresby National Park;
- world-class sportfishing lodges;
- wildlife viewing on the coast and in the QCI for bald eagles;
- guiding/outfitting throughout the region with internationally recognized trophy species opportunities in the Telegraph Creek area of Mount Edziza Park.

Visitation to the region has increased substantially in the last two to three years with the constant media attention directed to the QCI and featured articles in National Geographic and Equinox. In fact, the success of this attraction has begun to outstrip the capacity of the tourism plant to support visitation not only from the outdoor adventure travel market, but also the touring market. The potential is immense and a regional approach to encourage focused investment in infrastructure and on tourism plant will support continued development of packaged products.

Cruiseships

Prince Rupert is a cruiseship stop en route to Alaska and provides cruise operators with the ability to save fuel en route. The port tends to be a destination of convenience rather than one of preference and improved onshore attractions will help to stabilize this tourism market. The provincial government is currently promoting development of a major 1,000 car capacity ferry service which offers a modified form of the cruise experience and will improve access, through the Prince Rupert port facility, to the region's rich tourism resources. The prospects of cruises to the QCI also offers some potential for development.

5.3 Future Potential

Resource Potential

The area's rich native cultural and international class outdoor attractions will support continued growth in the specialty package market as well as strengthen the region as a touring travel destination area.

Constraints to Realizing Potential

The major challenges facing this region are:

- **Air access**. Access to Prince Rupert (the Digby Island Airport) is inconvenient and the airport itself is often closed due to fog conditions. This presents a significant problem to the business traveller and tourist alike. It is important to identify solutions to this problem if the region is to assume its full tourism potential.
- **Road access**. The Terrace to Prince Rupert Highway (16) is in bad condition and its reputation discourages touring travellers.
- **Ferry access**. Summer ferry passage for vehicles must be booked weeks in advance. Peak season capacity problems severely limit the growth potential on this favourite touring route.
- **Accommodation services and facilities are not well developed**. For instance, during fishing season, Prince Rupert accommodation space is at a premium and on the QCI present facilities simply cannot handle the demand for overnight camping and RV space.
- **Resource conflicts can seriously jeopardize the international class attraction of specialty wilderness products.** The Province is now moving to address this issue in the recently announced proposed policy on steelhead river protection. The issue is also relevant for the guides and outfitters industry as well as for potential products in the natural resource interpretation area. The recent logging issue on the QCI received international attention--highlighting in this case the conflict between the resource economy, the natural wilderness, and native culture. It is important, therefore, to develop an integrated approach to resource planning and management which recognizes the values of the tourism resource and minimizes the potential for conflict with other users.
- **The QCI tourism future is hampered in the short term by issues related to the proposed South Moresby National Park.** This process needs to be resolved to the satisfaction of all interest groups. A balance between tourism development

potential, quality of life, protection of the native way of life, and access by resource industries will help to create a secure environment for future tourism investment.

- **Inclement weather presents a major constraint and is an overriding concern in the region**. The region's tourism product must include more opportunities for alternatives to outdoor activities.

Opportunities

- Tourism offers tremendous potential for economic and employment growth in the region.
- Tourism provides potential for diversification of the region's resource-based economy.
- The potential for tourism development of the QCI resource base has virtually no equal in North America. The mix of natural, historic and cultural interpretation potential in a remote setting offers major potential for attracting tourists worldwide.
- Sportfishing on the coast is a successful tourism product. Future development at selected sites offers potential for attracting more of the high-end saltwater sportfishing market.
- Some of the province's and North America's finest steelhead fishing rivers are found in this region. There is more investment potential here although care must be taken not to exceed the carrying capacity of the rivers themselves and their wilderness setting.
- Destination resorts taking advantage of the region's natural resources would provide potential for spin-off tourism development in the form of ancillary services and facilities as well as packaged outdoor activities.
- Promoting the region as a touring destination as opposed to a touring route can strengthen the region's attraction. Development of theme approaches incorporating the international-class wilderness activities, marine themes on the coast, and the QCI all strengthen the region's potential as a destination area.
- Tourism products need to be packaged and sold as an experience and activity and not simply as a touring opportunity. The foreign experience of Canada is appealing to the American market. For example, fly-drive packages have potential for the Californian market. Underdeveloped markets include motorcoach tours and the Japanese market, which is currently oriented mainly to Banff.

- The Bear Glacier near Stewart offers potential as a major sightseeing attraction. Existing access must be improved and interpretation of the Glacier is required in order to realize the potential of this attraction.

The region's future touring potential will best be realized by a move toward more of a destination focus, offering a diverse range of outdoor activity products, interpretation of and exposure to native cultures, and resolution of infrastructure and tourism services constraints. More than most other regions in British Columbia, the North Coast includes international-class resources.

A regional approach to tourism product development which integrates this potential, clarifies the functions of the service centres, and provides not only tourist access but interpretation, will result in significant local economic benefit.

The next section introduces the steps needed for implementing this planning process.

5.0 TOURISM OVERVIEW

Nechako is one of British Columbia's most geographically diverse regions, with features ranging from the lakes and waterways of the central plateau to the mountains and wilderness areas that stretch to the province's northwestern corner. Outdoor and adventure opportunities abound in this region and include some of the world's best sportfishing, highly acclaimed big game hunting and wildlife viewing, as well as vast areas of untouched wilderness offering significant backcountry adventure potential.

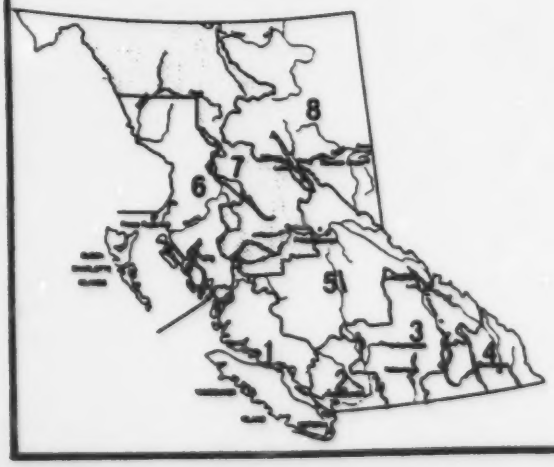
5.1 Setting

Geography and Climate

The North Coast Mountains and Boundary Ranges mark the northwestern-most parts of the region with the northeastern edge delineated by the Cassiar Mountains surrounding the Yukon-Stikine Plateau. The southern section of the region is primarily the Nechako Plateau and surrounding mountains. The climate of the two areas is almost entirely Northern Interior Continental with long, cold winters and short, cool summers, although the northwestern corner of the region's proximity to the ocean moderates that area's climate.

Population and Communities

The Nechako Region had an estimated population in 1988 of 38,805 people (30% of whom live in Houston, Smithers and Vanderhoof) representing 1.3% of the provincial total. Exhibit 5.1 illustrates the small decline in numbers that the region in general has experienced as well as showing the fluctuations of the region's individual communities.



DEVELOPMENT REGION 7

NECHAKO

5.0 TOURISM OVERVIEW

EXHIBIT 5.1:SELECTED COMMUNITY AND TOTAL REGION POPULATION

	1986	1988	Average Annual Compound % Growth
Burns Lake	1,723	1,695	-0.8
Fort St. James	1,983	1,922	-1.6
Fraser Lake	1,182	1,249	+2.8
Granisle	646	668	+1.7
Houston	3,905	3,697	-2.7
Smithers	4,713	4,778	+0.7
Telkwa	863	852	-0.6
Vanderhoof	3,505	3,211	-4.3
Nechako	**39,492**	**38,805**	**-0.9**

Source: British Columbia Central Statistics Bureau

The communities, which for the most part lie along the region's main transportation route, Highway 16, service the touring market destined for the west coast or north to the Yukon and Alaska along Highway 37 and the Alaska Highway.

- **Vanderhoof**, the geographical centre of the province, services not only the touring market, but also the many sport fishermen and outdoor enthusiasts who take advantage of the area's vast number of lakes and rivers.
- **Fort St. James National Historic Park**, although located off Highway 16, attracts many visitors, making it the region's only destination tourist attraction. The community of Fort St. James also services the smaller settlements of Manson Creek and Germanson Landing, in addition to park visitors.
- **Fraser Lake and Burns Lake** are the trading centres for the Lakes District, the region's most accessible and popular outdoor recreation area. Over 3,000 miles of waterway provide extensive opportunity for water-based tourism activities.
- **Houston**, located midway between Prince George and Prince Rupert, situated at the confluence of the Morice and Bulkley Rivers, is both a forest resource community and a popular fishing and recreation area.
- **Granisle**, 50 km north of Highway 16, began as a mining community but now attracts visitors seeking outdoor recreation opportunities connected to Babine Lake.
- **Smithers**, situated in the scenic Bulkley Valley and surrounded by the Coast Mountains, is the region's busiest service and business centre. The community has

developed its tourism industry and is now becoming one of the most well-known outdoor/sport recreation areas in the north.

- **Atlin** is located on the shores of British Columbia's largest natural lake and is bordered by the sprawling Llewellyn Glacier. The community's colourful past as a Gold Rush town is recaptured in its historic buildings and artifacts which remain in place today.

5.2 Key Tourism Products

Touring

The region's southern sections are traversed by the Yellowhead (Highway 16) and the VIA Rail passenger line, both of which run from Prince Rupert through Smithers, Burns Lake and Vanderhoof to Prince George. Further to the north, the Alaska Highway dips into the region and passes out again at the British Columbia-Yukon border. The Stewart-Cassiar Highway (37), which has become a popular alternative route for visitors travelling north to the Yukon or Alaska, enters the Nechako Region just north of the community of Iskut and continues on until it leaves the province at the Yukon. In addition, the White Pass Railway to Skagway, Alaska, runs through the northern tip of the region and offers passengers an opportunity to view the extensive untouched wilderness of the north-central area of the province.

Visitors travelling to or from Prince Rupert to complete ferry linkages to or from Vancouver Island (Port Hardy), the Queen Charlotte Islands and Alaska also contribute significantly to the volume of touring traffic passing through the region. The Totem Circle Route, which combines highway and ferry transportation systems incorporating Vancouver, Vancouver Island, the east-west Highway 16 corridor between Prince Rupert and Prince George, and the north-south corridors between Prince George and Vancouver, has proven to be extremely popular among touring markets.

The creation of a National Park Reserve in the South Moresby area of the Queen Charlotte Islands and the development of an international quality destination product on the Islands is also expected to create additional pass-through touring traffic along the Yellowhead Highway.

The major touring features of the Nechako Region include its heritage attributes (native Indian, fur trading, Klondike Gold Rush and pioneer settlement), its outstanding natural landscape features and the opportunity to participate in a variety of outdoor recreation activities ranging from wildlife viewing to sportfishing to trailriding.

Visitor 87 suggests that the touring product is very important to the Nechako Region, particularly for American and international visitors en route to Alaska or other destinations such as the Queen Charlotte Islands. In order to maintain and increase the economic benefit from the touring market

it is important to identify ways in which the product can be strengthened to provide increased visitor appeal. Some suggestions include:

- further development and interpretation of heritage attributes in the region focussing on the native Indian, fur trading, Gold Rush and pioneer settlement themes. Existing and potential attractions exist throughout the region and include Fort St. James National Historic Park, Burns Lake (pioneer settlement), Atlin (Gold Rush theme), and Vanderhoof (last spike of the Grand Trunk Rail-road), among others;
- continued development and promotion of events and festivals, particularly those relating to cultural and heritage themes in the region. Existing examples include the Vanderhoof International Air Show, the Burns Lake Bluegrass Music Festival, the Smithers Bulkley Valley Exhibition and the Atlin long-distance dog sled race, as well as a number of smaller events and festivals;
- increased emphasis on the combined role of communities along touring routes to further develop services and attractions that will improve the quality of the overall regional touring product;
- identification and improvement of secondary road access into high quality backcountry viewing and recreation areas;
- blending of outdoor adventure activities with the touring product to provide opportunities for the touring market to experience easily accessible activities such as river rafting or wildlife viewing.

Outdoor/Sport/Adventure

The outdoor/sport/adventure product is also very important to the Nechako Region. The region's diverse geographic features, including mountain ranges, extensive water networks and vast un-touched wilderness areas, support a variety of activities.

Guide-outfitting and big game hunting comprise most of the tourism activity in the northern part of the region. The area features a remarkable variety of wildlife species including moose, deer, grizzly and black bear, wolves and thinhorn sheep, which represent a significant resource value to the region. Guides and outfitters are attempting to extend their season and increase the number of visitors to the area by developing non-consumptive activities such as wilderness/wildlife viewing expeditions.

Some of the most spectacular scenery in the region is accessible only by air or backcountry travel on foot or horseback. While this may be viewed as a constraint, it offers potential to develop a specialized product appealing to the high-end international adventure seeker.

5.0 TOURISM OVERVIEW

The southern part of the region with its extensive lake and river systems and varied natural landscape supports a variety of activities including trailriding, hiking, sportfishing, canoeing, kayaking, boating and river rafting.

Sportfishing is extremely important in the Nechako Region, with a number of fish camps and resorts located throughout the southern part of the region. The north also offers excellent sportfishing capability, but the potential is largely undeveloped due to limited access into many of the prime lakes and rivers.

The river rafting capability of the region is also outstanding. Both the Stikine and Tatshenshini Rivers are rated as highly challenging rivers and draw large numbers of international visitors to participate in the unprecedented thrill of the whitewater experience. Other rivers with commercial rafting and whitewater canoeing and kayaking potential are the Dease, Babine, Bulkley, Morice and Nechako rivers.

The Nechako Region provides some of the province's most sought-after wilderness park areas including Atlin Park, Atlin Recreation Area, Spatzizi Plateau and Tweedsmuir Park. In addition to supporting popular recreation and adventure activities, these parks also play an important role in terms of landscape and scenic view area protection and wildlife habitat preservation and interpretation. These parks, along with other designated recreation areas such as Babine Mountain and Bora Lake, preserve vast areas of scenic and recreational wilderness throughout the region.

Winter-based activities in the Nechako are not well developed; however, downhill and helicopter ski facilities are available at Hudson Bay Mountain in Smithers. The region has potential to further develop its winter product line with activities such as cross-country skiing, snowmobiling and icefishing.

Meetings/Conferences/Independent Business Travel

Smithers is currently the only centre in the Nechako Region that could benefit from the small meetings and conferences market. It is the business, industrial and government centre for the region, has direct air service from Vancouver and has the necessary infrastructure in place to accommodate small-sized meetings.

Although independent business travel does, again, tend to gravitate towards Smithers, Houston's role as a mineral resource manufacturing centre results in limited independent business travel, while the other communities experience minimal regional business travel and local meetings.

5.0 TOURISM OVERVIEW

5.3 Future Tourism Potential

Resource Potential

The Nechako Region is undoubtedly one of the most diverse in character, geography and access of any of the eight regions in the province. From the remoteness and history of the Gold Rush town of Atlin in the northwest to the heritage of Fort St. James and the superb sportfishing of the southern Lakes District, the tourism resource features of the region are dominated by the touring and outdoor/sport/adventure travel markets.

Constraints to Realizing Potential

Several important challenges face the region:

- Travel times from major population centres require development of high-quality destination products and marketing strategies to draw greater numbers of visitors into the region. The region's high-quality wilderness and recreation resources provide potential for destination products. The develop-ment of fly-drive packages will also reduce the impact of distance.
- Capacity limitations on transportation systems, for example, B.C. Ferries (Inside Passage and Queen Charlotte Islands) limit growth opportunities for some of the touring markets which pass through the Nechako Region along Highway 16.
- The accommodation and service plant requires upgrading to respond to current preferences in touring markets.
- Communities are not fully integrated in terms of providing a full range of attractions, facilities and services as part of the touring product.
- The wildlife resources are extremely important in the region. These resources need to be managed to provide habitat protection and species preservation.
- A high-quality wilderness resource requires development of a product which responds to the preferences of the outdoor adventure market.
- The major tourism strength of the region is its outstanding natural resource base including the spectacular scenery, vast wilderness areas and extensive networks of rivers and lakes. Potential exists for conflict between the tourism industry and the resource extraction industries. It is important, therefore, to develop an integrated approach to resource planning and management which recognizes the values of the tourism resource and minimizes the potential for conflict with other users.

5.0 TOURISM OVERVIEW

Opportunities

- Tourism offers good potential for economic and employment growth in the region.
- Tourism provides potential for diversification of the region's resource-based economy.
- The "hub and spoke" concept of group touring (long stays at a central destination with shorter day trips to surrounding attractions) offers potential for the larger service centres in the region, particularly those offering a variety of interesting attractions within a one-day radius.
- Tourism products need to be packaged and sold as an experience and activity and not simply as a touring opportunity. The foreign experience of Canada is appealing to the American market. For example, fly-drive packages have potential for the Californian market. Underdeveloped markets include motorcoach tours and the Japanese market, which is currently oriented mainly to Banff.
- Sportfishing potential in the region is extremely high. Resort and fish camp facilities require upgrading to appeal to the high-end sportfishing market.
- Recreational and wilderness lands in the region, including the more famous provincial parks, provide excellent capability for the development of destination land and water-based outdoor and adventure activities. At the present time the resource potential is under-developed. New products could be developed to take advantage of this potential, along with marketing strategies to create awareness among target markets.

The variety and quality of natural resources in the Nechako Region provides potential to support an extensive range of tourism activities. The diversity and abundance of fish and wildlife provide good opportunities to further develop high-quality sportfishing, big game hunting and wildlife viewing activities. The rivers and lakes in the region provide ideal resources for numerous water-based activities including river rafting, canoeing, kayaking, recreational boating and swimming.

The region features major east-west transportation access by road and rail as well as a north-south corridor along Highway 37. It also has scheduled air service to Smithers. This transportation access, in combination with scenic and historic attributes, provides potential to further develop the touring product for both drive-through and fly-drive visitors.

The Nechako Region has a strong natural resource base and a developing service and transportation infrastructure which together offer good potential for the increased development of the tourism industry. Such development will contribute to the expansion and diversification of the region's economy. Through careful planning, the region can meet its challenges and achieve this potential.

The next section introduces the steps needed for implementing this planning process.

5.0 TOURISM OVERVIEW

The Northeast Region is unique among all the regions of the province. It is characterized by a remarkable variety of natural features, from the rugged Rocky Mountains and Omineca ranges to the open plains of the Peace River Plateau. It features vast areas of untouched and inaccessible wilderness as well as sweeping glaciers and hotsprings. Historic records and remains dating back to prehistoric time also contribute to the unique character of the region. The Peace River Alaska Highway is the principal transportation route through the region and serves as an access corridor for a large volume of Alaska-bound tourism traffic. Most of the region's population and economic activity is centered around the Peace River Alaska Highway.

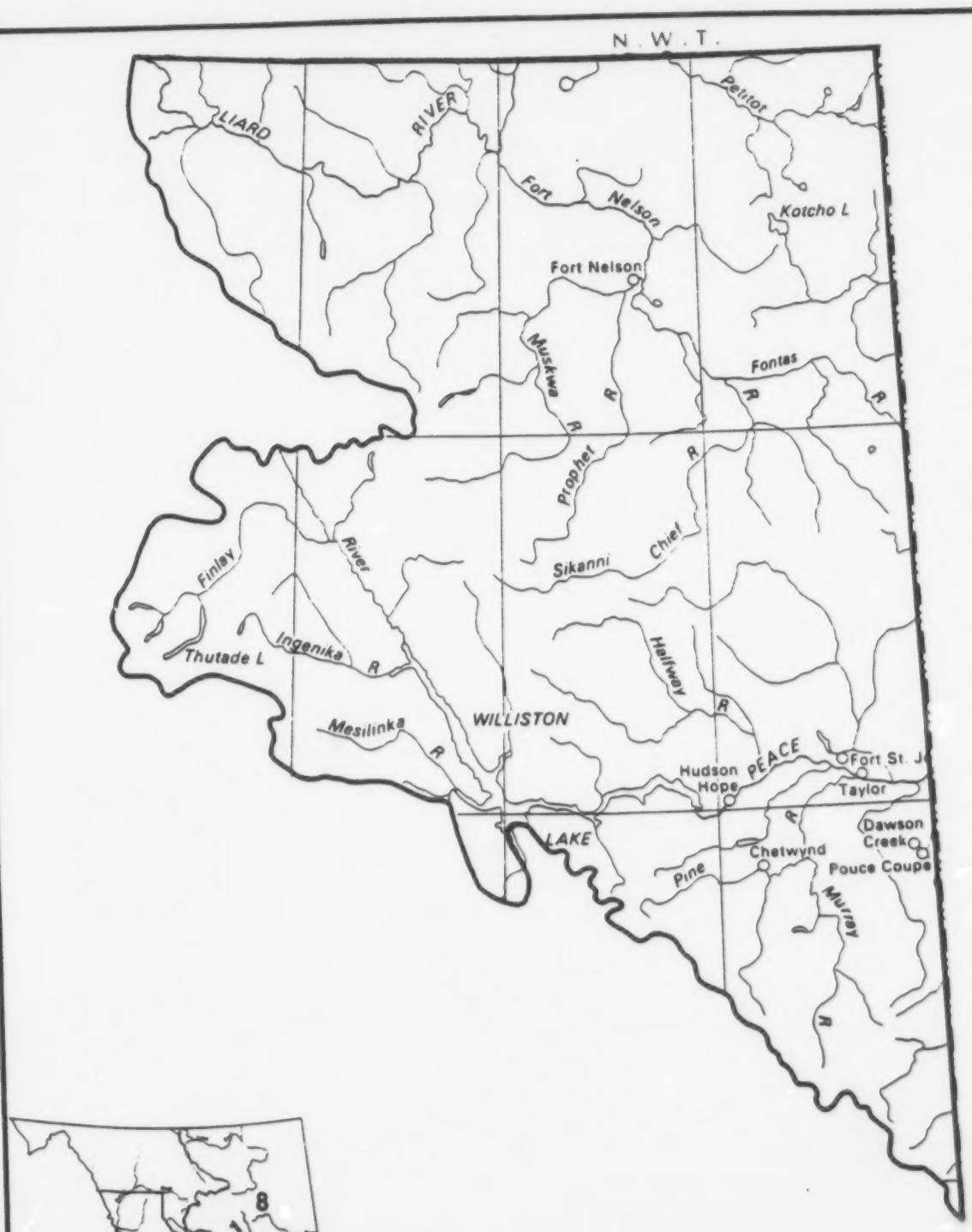
5.1 Setting

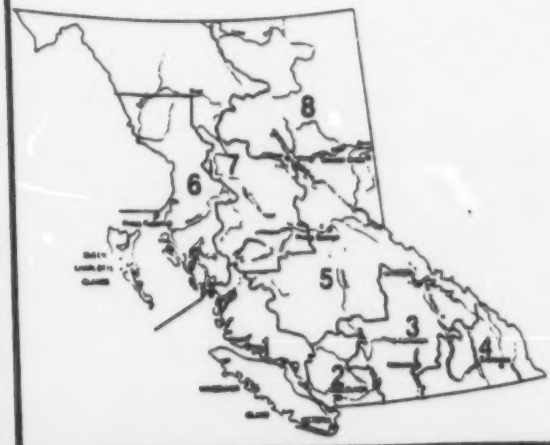
Geography and Climate

The landscape and climate in the area is for the most part similar to the northern parts of the adjacent provinces of Alberta and Saskatchewan-Northern Plains. The region's landscape also includes parts of the Northern Foothills, the Laird Plateau, the Rocky Mountain Trench, the Cassiar-Omineca Mountains and the Spatsizi Plateau. The climate is characterized by long, cold winters and short, cool summers.

Population and Communities

The Northeast Region had an estimated population in 1988 of 54,597 people (42% of whom live in Fort St. John or Dawson Creek) representing 1.8% of the province's total population. Population levels since the early 1980's have dropped dramatically and a continuance of this trend is in evidence in Exhibit 5.1 which shows the population for selected communities and the region as a whole.





DEVELOPMENT REGION 8

PEACE RIVER

5.0 TOURISM OVERVIEW

EXHIBIT 5.1:SELECTED COMMUNITY AND TOTAL REGION POPULATION

	1986	1988	Average Annual Compound % Growth
Chetwynd	2,774	2,654	-2.2
Dawson Creek	10,544	10,144	-1.9
Fort St. John	13,355	12,743	-2.3
Hudson Hope	1,158	1,128	-1.3
Pouce Coupe	813	767	-2.9
Taylor	711	643	-4.9
Tumbler Ridge	4,387	4,007	-4.4
Fort Nelson	3,729	3,535	-2.6
Fort Nelson-Liard	1,411	1,279	-4.8
Northeast	**57,278**	**54,597**	**-2.4**

Source: British Columbia Central Statistics Bureau

Communities

- **Chetwynd** has a history dating back to 1778. Today it serves as a small service centre for touring and commercial traffic at the junction of Highway 97 and 29.
- **Tumbler Ridge** is the newest community in the region, formed as a result of the Northeast Coal Development Project. Located at the southern terminus of Highway 29, Tumbler Ridge is primarily an industry town, although excellent fishing, hiking and canoeing opportunities are available to visitors.
- **Hudson's Hope**, located on Highway 29 between Chetwynd and Fort St. John, also has a long history as a trading post. Visitors today can revisit the past in the town's excellent museum and preserved heritage buildings.
- **Dawson Creek** is the start of the Alaska Highway which travels north through the Yukon and on into Juneau, Alaska. It is the first major service and business centre for the Alaska Highway.
- **Fort St. John** is the largest city and oldest pioneer settlement in the region. Originally founded as a fur trading post by Alexander Mackenzie, it is now a modern city which produces petroleum and lumber and serves as the government and business centre for the area.

- **Fort Nelson**, located approximately 450 km north of Dawson Creek, is a service centre for travellers on the Alaska Highway as well as a departure point for visitors to Nahanni National Park and Kwadacha Wilderness Park.

Economy

The main economic engine in the region is oil and gas exploration and development, particularly in the vicinity of Fort St. John, Fort Nelson and Dawson Creek. To the south, Tumbler Ridge is well known for its open pit coal mines but even this part of the region has a share of oil and gas exploration. Dawson Creek and Fort St. John are the main trade and services centres in the region. Feed grains are a major agricultural crop in the region. Forest industries are concentrated in the southern part of the region around Chetwynd and Dawson Creek and in the north in the Fort Nelson area. The majority of harvestable timber is in the south with other sources in major river valleys throughout the region. The W.A.C. Bennett hydroelectric dam has been a source of revenue to the province and the area during its years of operation. Manufacturing in the region is related to oil and gas development and transmission to points south, and to forest industry processing of timber into plywood, pulp and other goods. Future prospects are related to increased resource demands as a result of general growth in the North American economy.

The tourism industry in the Northeast Region is based primarily on touring traffic along the Alaska Highway and big game hunting in the north. Although the tourism industry is not equal to the oil and gas and forest resource sectors in terms of economic contribution, it does provide potential for growth and diversification in the region's economy.

5.2 Key Tourism Products

Mile zero of the Alaska Highway begins at Dawson Creek in the heart of the Northeast Region. Much of the tourist dollar that comes into the region is related to the Alaska Highway and the touring market headed for Alaska and the Yukon. The heritage of the area is an important feature creating interest and attractions for the touring market. Major historical attractions in the region include:

- Hudson's Hope restored trapper's cabin;
- prehistoric fossils (including fossilized dinosaur tracks)
- the Mackenzie Monument in Fort St. John;
- Dawson Creek heritage buildings;
- museums at Dawson Creek, Chetwynd and Fort St. John.

5.0 TOURISM OVERVIEW

Touring

Touring is a key product in the Northeast Region. Highway 97 running north from Prince George and Highway 2 running northwest from Edmonton converge at Dawson Creek and serve as key access routes into the region for Yukon and Alaska-bound visitors.

Access into the region is also provided by scheduled air service to both Dawson Creek and Fort St. John. Air access provides an opportunity for fly-drive touring, which is attractive for visitors originating from distant U.S. markets.

Visitor 87 indicates that touring was the main trip purpose for 70% of the non-resident visitors to the region and that a majority of visitors (74%) were from the U.S. The report also indicates that British Columbia was not the main destination for three-quarters of the non-resident visitors.

The major activities pursued by visitors to the region were passing through (47%) and sightseeing (42%). Activities associated with shopping, beach/lakeshore, museum/galleries and historic sites were of interest to approximately 20% of non-resident visitors.

These figures reflect the importance off the touring market to the Northeast Region, but also indicate that most of the visitors do not regard the region as a principal destination. They also indicate that the region benefits from the touring market primarily through the provision of services such as gas, food and lodging, although attractions such as museums and historic sites also provide some contribution.

The high volume of touring traffic through the Northeast Region provides a good opportunity for increased benefit through the development and improvement of the region's touring product. The region's extensive natural and historic resources provide potential for the development of a variety of interesting attractions.

Wildlife is in abundance throughout much of the region and offers potential for exceptional wildlife viewing as part of the touring package.

The Liard River Hotsprings along the Alaska Highway also serves as a major attraction. Visitors are able to bathe in hot pools and observe the unique surrounding vegetation that results from a micro climate created by the hotsprings.

The region has a rich history, featuring elements not only of the prehistoric era, but also of native Indian history, early pioneer explorers, fur trading and the development of the Alaska Highway.

A large number of events and festivals occur in the various communities of the region. These also serve as potential attractions to the touring market, particularly those that reflect the culture and history of the region. The most notable event is Project 92, which is being planned as a major celebration to commemorate the fiftieth anniversary of the Canada-Alaska Highway. Many of the

communities which are participating in Project 92 are currently planning to complete tourism projects which will correspond with the staging of this event in 1992.

The Northeast's transportation infrastructure, many natural and historic features, and modern industrial attractions such as the W.A.C. Bennett and Peace River Canyon Dams all provide the region with a strong touring product.

Outdoor/Sport/Adventure

The outdoor/sport/adventure project, although not as significant as touring, is also very important to the Northeast Region. The region's diverse landscapes, extensive water networks and vast wilderness areas support a variety of recreation and adventure activities.

Guide/outfitting and big game hunting represent a large proportion of the activity in this sector. The region features an abundance of wildlife including deer, moose, elk, caribou, mountain goat, stone sheep, wolves, grizzly and black bear. Guides and outfitters are attempting to expand their clientele and increase the season by broadening their product line to include non-consumptive activities such as wildlife viewing and photo expeditions.

The untouched wilderness areas of the region also provide exceptional potential for a variety of other adventure activities including backcountry hiking, mountaineering, heli-skiing and sportfishing. Many of these wilderness areas are renowned for their spectacular scenery; however, access is often available only by air or backcountry travel on foot or horseback. While access may be viewed as a constraint, the undisturbed quality of the wilderness provides extremely good potential for the development of specialized products appealing to the high-end international adventure seeker.

Water-based recreation and adventure activities are prevalent throughout the region. The extensive network of lakes and rivers is ideal for canoeing, kayaking, whitewater rafting and boating. Boat tours on the Peace River and Williston Lake Reservoir are examples of existing water-based attractions that have been developed.

Sportfishing is another important activity in the Northeast. The region's lakes and rivers support an abundance of both warm and coldwater species. There are a number of fish camps and resorts in the region; however, there is certainly capacity to develop additional facilities, particularly those targeted to the high-end sportfishing market.

There are also several provincial parks located in the Northeast Region, including Kwadacha Wilderness Park, Muncho Lake Park, Stone Mountain Park, Monkman Park and Gwillin Lake Park. Both Kwadacha and Muncho Lake have been identified as prime locations for wildlife viewing. All of these parks play an important role in terms of landscape and scenic view area protection as well as wildlife protection and habitat preservation.

Winter-based tourism activities are not well developed in the region, although Powder King Ski Village in Chetwynd offers excellent downhill skiing. Potential also exists for the development of cross-country and heli-skiing.

Meetings/Conferences/Independent Business Travel

Dawson Creek and Fort St. John have the greatest potential to benefit from the small conference and meetings market. They also attract most of the independent business travel in the region. Both communities are centrally located and offer a full range of services, including scheduled air access, accommodation, meeting facilities, restaurants, recreation and business support services.

5.3 Future Potential

Resource Potential

The Northeast Region is characterized by a unique array of natural, historic and manmade resources. Natural resources vary from the open prairie of the Peace River Plateau to the rugged mountain landscape of the Rocky Mountain and Omineca ranges and from the vast wilderness areas of the north to the extensive network of lakes and rivers throughout the region. Historic resources include prehistoric fossils, native Indian artifacts, and the pioneer explorer and Alaska Highway construction themes. Manmade resources features the W.A.C. Bennett Dam, the Peace Canyon Dam and Fish Hatchery and the Williston Lake Reservoir. The combination of these resources provides excellent potential for future development and growth in both the touring and outdoor/sport/adventure product sectors.

Constraints to Realizing Potential

Several important challenges face the region:

- The existing tourism season is very short, extending between June and September. It is important to further develop the shoulder seasons in order to derive a reasonable rate of return on tourism operations.
- The touring market is largely a pass-through market. Attractions and services need to be developed in order to draw new markets and increase the length of stay of existing visitors.
- Communities are not fully integrated in terms of providing a full range of services, attractions and facilities as part of the touring product.
- The region is located a great distance from major population centres. The development of fly-drive packages will help reduce this impact.

- Wildlife resources are an extremely important part of the tourism product in the region. These resources need to be managed to provide habitat protection and species preservation.
- The major tourism strength of the region is its outstanding natural resource base including the spectacular scenery, vast wilderness areas and extensive networks of rivers and lakes. Potential exists for conflict between the tourism industry and the resource extraction industries. It is important, therefore, to develop an integrated approach to resource planning and management which recognizes the value of the tourism resource and minimizes the potential for conflict with other uses.

Opportunities

- Tourism offers good potential for economic and employment growth in the region.
- Tourism provides good potential for diversification of the region's resource-based economy.
- Project 92 provides good potential for upgrading the region's touring product and for generating promotion and creating awareness among new tourism markets. The project is expected to provide legacy tourism attractions in all of the communities along the Canada Alaska Highway corridor. In order to maximize the long-term benefit for the region's touring product, it is important that these projects are coordinated to provide a full range of high-quality attractions appealing to the preferences of the touring market. Project 92 will also provide an opportunity to create awareness of the exceptional wilderness and recreation activities that are available in the region.
- Tourism products need to be packaged and sold as an experience and activity and not simply as a touring opportunity. The foreign experience of Canada is appealing to the American market. For example, fly-drive packages have potential for the Californian market. Underdeveloped markets include motorcoach tours, and the Japanese market, which is currently oriented to Banff.
- Further emphasis on the development and interpretation of historic resources, focussing on the prehistoric, native Indian, pioneer explorer, fur trading and Alaska Highway themes.
- The region has potential to develop and expand its sportfishing resource to cater to the high-end sportfishing market.
- Recreational and wilderness lands in the region, including the more famous provincial parks, provide excellent capability for the development of destination

recreation and adventure activities. At the present time the resource is underdeveloped. New products could be developed to take advantage of this potential, along with marketing strategies to create awareness among target markets.

The variety and quality of natural resources in the Northeast Region provides potential to support an extensive range of tourism activities. The diversity and abundance of fish and wildlife provide good opportunities to further develop high-quality sportfishing, big game hunting and wildlife viewing activities. The rivers and lakes in the region provide ideal resources for numerous water-based activities including river rafting, canoeing, kayaking, recreation boating and swimming.

The Canada Alaska Highway, with its large volume of touring traffic, and the high-quality natural and historic resources in the region provide opportunities for the development of attractions that will increase the length of time and the amount of money that visitors spend in the region. Project 92 will serve as a catalyst for the development of the touring product. Legacy tourism projects will be developed throughout the region and market awareness will be created among a broad spectrum of potential visitors.

The Northeast Region has good potential for developing its tourism industry as a means of expanding and diversifying the regional economy. Through careful planning, the region can meet its challenges and achieve this potential.

The next section introduces the steps for implementing this planning process.

6.0 THE NEXT STEPS

While tourism can play a significant role in regional economic development, adjusting our product to visitor needs and expectations is a major challenge. The Ministry recognizes that the priority placed on marketing and sector-specific programs must be complemented by product development and diversification throughout British Columbia's regions to ensure that we remain competitive.

The regional action plan process we propose parallels the Province's overall regionalization approach in its focus on the involvement and commitment of local residents. It is ultimately the priorities of region residents, and their commitment to these priorities, that will ensure progress toward tourism development. Thus the Ministry proposes to encourage, support and facilitate regional tourism development through the consultation process illustrated in Exhibit 6.1.

The first step involves working with regional task forces to identify tourism development priorities. In most of the regions, such task forces already exist. In those where task forces have not yet been established, the Ministry will work with the RDLO's and Regional Advisory Boards to encourage the formation of a tourism task force. Consistent with the spirit and intent of regional tourism planning, the task forces should be as broadly based as possible, representing industry, community, business, and public interests.

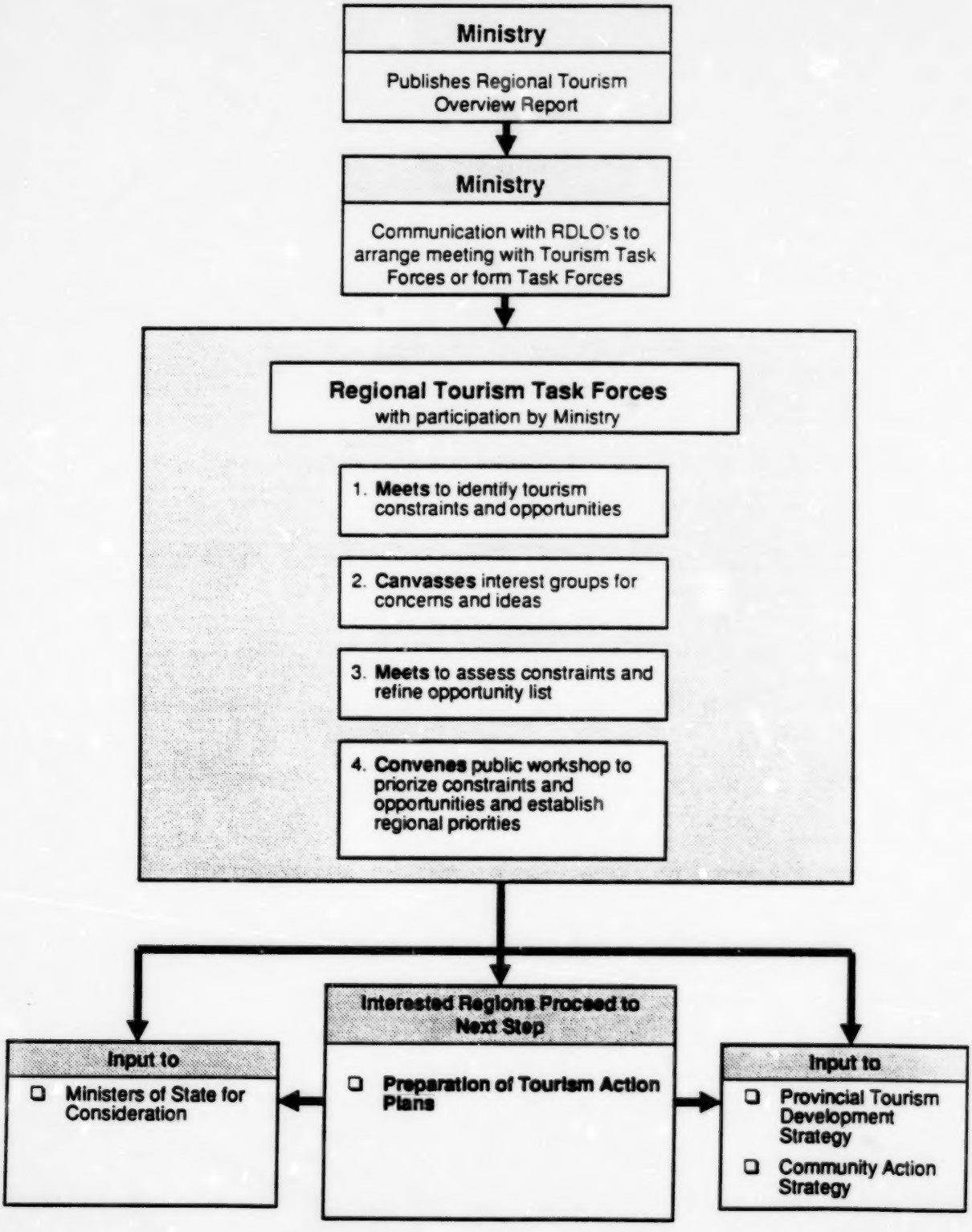
The emphasis on identifying regional tourism development priorities recognizes that Ministers of State are seeking and considering economic development opportunities from each region. Therefore early identification of tourism priorities is essential to facilitate the process.

Although the exact steps will be discussed at the outset with tourism task forces in each region, the Ministry suggests an approach that involves:

- first, identifying regional issues and opportunities with task force members;
- second, canvassing by task forces of interest groups for ideas, issues and opportunities;
- third, engaging in a formal assessment process to explore each tourism development constraint, the viability of the opportunities identified, and the likelihood of implementation;
- fourth, convening a public workshop sponsored by the task force to priorize issues and opportunities and develop regional priorities.

The priorities will provide the basis for proceeding in the fall of 1989 to the preparation of tourism action plans for those regions that are interested. It will also form the basis for input to the Ministers of State for their regional economic strategy deliberations, communities and industry for

Exhibit 6.1: Suggested Regional Tourism Planning Process


Ministry
Publishes Regional Tourism Overview Report
Ministry
Communication with RDLO's to arrange meeting with Tourism Task Forces or form Task Forces
Regional Tourism Task Forces
with participation by Ministry
1. Meets to identify tourism constraints and opportunities
2. Canvasses interest groups for concerns and ideas
3. Meets to assess constraints and refine opportunity list
4. Convenes public workshop to priorize constraints and opportunities and establish regional priorities
Interested Regions Proceed to Next Step
Preparation of Tourism Action Plans
Input to
Ministers of State for Consideration
Input to
Provincial Tourism Development Strategy
Community Action Strategy

community action strategies, and the Ministry of Tourism itself for development of its provincial tourism plan.

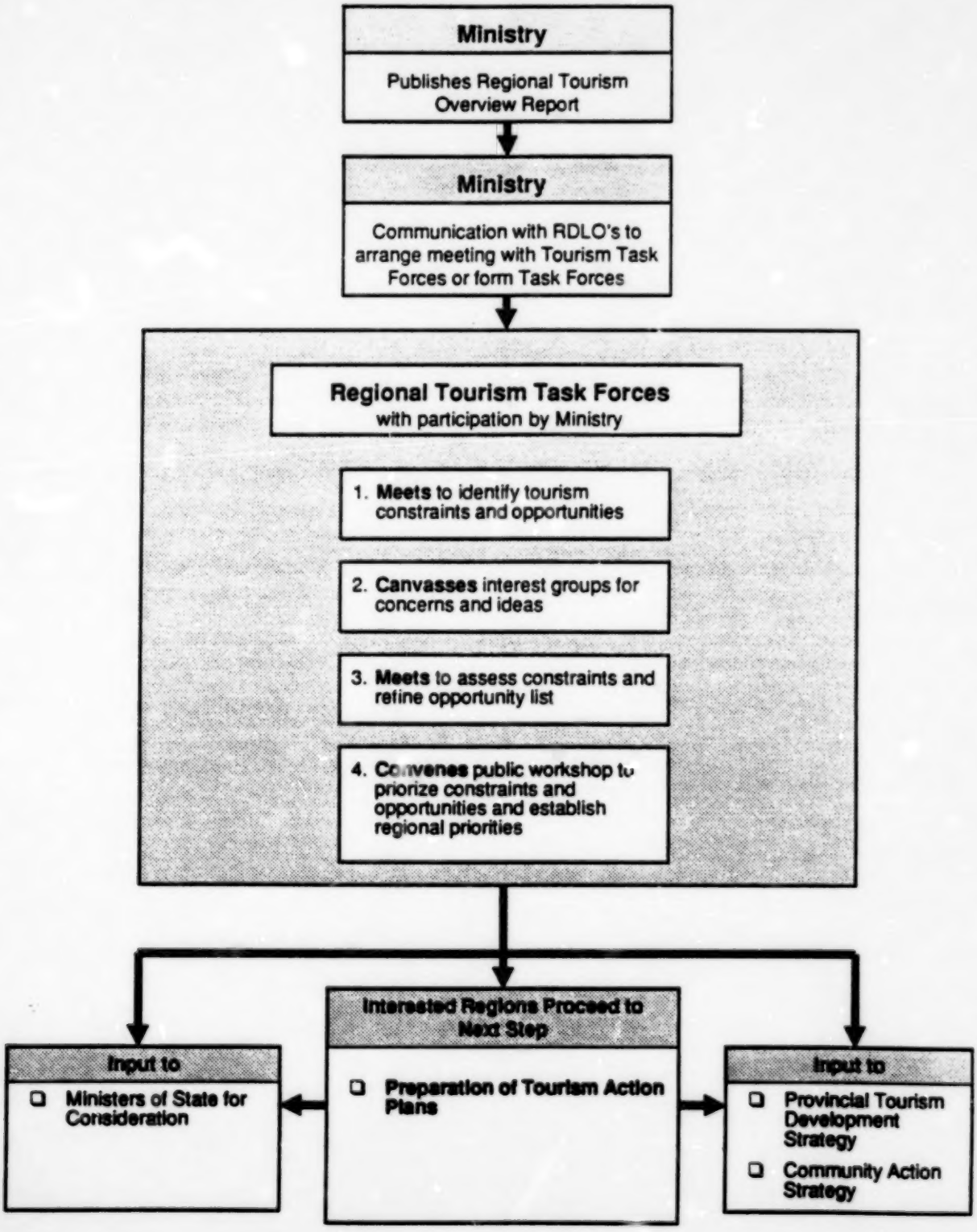
Where regions are interested, the Ministry will work in collaboration with them to assist in the preparation of regional tourism action plans. This process will place more emphasis on the preparation of plans and implementation strategies for tourism development. It will need to explore regional market opportunities, destination area potential within the region, feasibility of specific development opportunities, and public/private sector initiatives.

6.1 Getting Started

With the publication and distribution of this regional overview, the Ministry will be in contact with RDLO's to arrange meetings with tourism task forces or encourage their formation. To assist task force members in the start-up phase, Exhibit 6.2 shows the type of questions that need to be addressed in arriving at regional tourism development priorities.

The Ministry is fully committed to realization of the economic benefits from tourism and the fundamental role that regions play in the tourism sector. It can mean new business opportunities, more jobs and higher incomes, and improved quality of life for the province's residents. With this commitment goes the Ministry's recognition that a collaborative partnership is essential to achieve tourism development. It cannot be done by the region alone; nor can it be done by the province alone. Therefore the Ministry encourages all regions to participate.

Exhibit 6.1: Suggested Regional Tourism Planning Process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